

National Credit Union Association chartered March 6, 1959

Plattsburgh City School District Federal Credit Union

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Year-end 2020 Report to Members Annual Meeting (virtual)

Thursday, November 18, 2021



A proud history, this credit union was established for the employees of the Plattsburgh City School District and their families. It was initially chartered as Plattsburgh Teachers Federal Credit Union on March 6, 1959 for the purpose of promoting thrift among its members by affording them an opportunity to accumulate their savings, and to create for them a source of credit for prudent and productive purposes. The change to Plattsburgh City School District Federal Credit Union was approved by the National Credit Union Association on September 2, 2003. 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 served as the first board of directors and more than sixty-two years later their vision of this member-owned credit union is still strong and helping district employees and their families achieve their financial goals!

Agenda

Welcome Members

Minutes of 2020
Annual Meeting

Treasurer's Report

President's Report

Loan Officer's Report

Supervisory Report

Election of Directors

Info for Drawings

Info on Donations to the
Local Food Shelf

Adjournment

President's Report—Steve Bedard

2020 PRESIDENT'S REPORT

As president, I present this 2020 Annual Report to our membership. On March 6, 1959 the National Credit Union Association (NCUA) granted us our charter and we continue more than 62 years later to be an employee chartered credit union. We are not a community credit union which means only employees of the city school district and their family members can join the credit union but once a member they can always remain a member.

Our annual meeting is a time for us all to celebrate the trust that our members continue to afford us. I hope next year we will be able to celebrate in person. This is a time to remember the founding directors who started this credit union. It is a time to thank our volunteers, the members of the board and the supervisory committee, who collectively insure we make sound decisions for our members. This is also the time to thank our loan officer, our manager and her staff for their continued commitment to provide outstanding service to our members. I thank them for their commitment, their talents and for the decisions made on behalf of our members especially during what was a very difficult year.

These key people play a crucial role in the success of this credit union. As a small credit union, we continue to be challenged by the complexity of federal laws, rules and regulations along with the rising costs of services. Adding the pandemic tested our resolve to remain competitive both in dividends and loan rates. 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 promote your credit union with your colleagues and family by sharing your experiences. Encourage them to join and use this credit union because we grow stronger in numbers.

Serving on this board of directors continues to be an incredibly rewarding experience. 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. We continue to adhere to high ethical and fiduciary standards and stay true to the **core mission** of the credit union movement **"people helping people."**

Treasurer's Report—Anna Sherman

2020 TREASURER'S REPORT

Our credit Union with assets of \$7 million is considered a small credit union competing with larger credit unions and financial institutions. Our reserves total over \$1.2 million. Our major asset, our loan portfolio, remains strong at \$4.7+ million. Our net worth of 17% is well above the 7% benchmark used by our federal regulators to determine financial soundness and safety of credit unions.

The year-end numbers for 2020 continue to reflect the health and stability of your credit union. Our membership is limited only to the employees of this school 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 upmost importance and paramount to our success and longevity. I guarantee you won't find any financial institution who helps members like we do. Our membership of 725 continues to remain stable, we strive as we have for the past 62+ years to provide our members with below market loan rates and above market savings rates. Even through the pandemic, we were able to continue meeting this challenge.

In 2020 we processed nearly \$1.5 million in loans. The average yield on loans was 5%. Our loan portfolio decreased by 10%. Our savings in 2020 increased by 17%. Our average savings per member of \$8,000 is an increase of about \$1,000 per member. The average loan per member \$7,978, a \$500 per member decrease. We ended the last quarter of 2020 on the plus side. But factors such as loan loss, low investment rates, decrease in our loan portfolio, increase in savings portfolio and increases in expenses contributed to our negative year-end income. Off setting this low income was our strong Net Worth and over \$1.2 million in reserves enabling us to keep our dividend rates higher than competitors and our loan rates lower than competitors.

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 our management and staff continue to do 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 committed to the spirit of "members helping members." Their dedication and service to us all as members/owners of the Plattsburgh City School District Federal Credit Union exemplifies the fact that even as a small employee-owned credit union *"Everything we do, we do for our members!"*... as we have done for over 62 years .

Financial Statements

Balance Sheet Comparison		
Fiscal Year Ended	12/31/19	12/31/20
Assets		
Loans	5,259,451.79	4,730,900.98
Reserve for Loan Loss	(50,000.00)	(50,000.00)
Deposit in Checking Account	63,321.23	96,182.72
Investments	841,004.30	2,074,674.55
Equipment & Furniture	5,553.64	16,992.74
Prepaid Expenses	12,523.14	14,037.86
NCUA Share Insurance Deposit	53,349.86	49,906.33
Alloya Corporate Fed CU Capital Share	6,667.00	6,667.00
Mortgage Loans for Sale	0	69,000.00
Total Assets	\$6,191,870.96	\$7,008,362.18
Liabilities		
Accounts Payable	2,012.10	2,240.97
Accrued Expenses	7,199.24	6,285.79
Shares	3,689,397.94	4,207,128.18
Share Certificates	1,301,234.48	1,608,556.80
Regular Reserves	112,613.03	112,613.03
Undivided Earnings	1,079,414.17	1,071,537.41
Total Equity/Liability & Reserves	\$6,191,870.96	\$7,008,362.18

Income and Expense Statement Comparison		
Fiscal Year Ended	12/31/2019	12/31/2020
Income		
Interest Income from Loan	261,967.01	247,169.65
Income from Investments	11,852.98	8,866.91
Misc. Operating Income	6224.58	2,282.13
Total Operating Income	280,044.57	258,318.69
Expenses		
Dividends on Shares	-15,065.04	-17,560.04
Net Operating Income	264,979.53	240,758.65
Operating Expenses		
Association Dues	2,169.68	4,290.90
Compensation	138,743.06	142,843.92
Benefits (SS)	12,110.94	12,232.00
Office Operations	59,773.09	63,121.90
Office Rental	4,572.50	4,664.00
Scholarships/Marketing	4,500.00	1,500.00
Loan Servicing	5,625.20	5,332.56
Provisions for Loan Loss	0.00	6,720.64
Professional Services	4,936.53	4,787.62
Federal Supervision Fee	1,749.60	2,141.87
Annual Meeting	2,000.00	1,000.00
Total Operating Expense	236,180.60	248,635.41
Net Income	\$28,798.93	(7,876.76)

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 Fillion, Notary
 Cathy Steele, Notary
 Patti Gonyea

Tim Mulligan, Loan Officer

Scholarship Committee

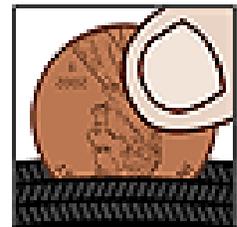
Alan Feazelle, Chair
 Tim Mulligan
 Anna Sherman

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
 724



Average Share per
 member at year end
 \$8,033.00

Average Loan Balance
 \$7,978.00

Supervisory Committee Report-Karen A. Lash

The **Supervisory Committee**, is responsible for overseeing the overall safety and soundness of our credit union. This volunteer committee is appointed by the Board and includes Chairperson Karen A. Lash, Amanda Madore, Jayme Keable, and Lori Schudde. The goal of this committee is 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 auditors they 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. **External auditors** annually review and check the safety and soundness of our credit union. A virtual audit was conducted by Wojeski & Co. Albany, NY. Our federal regulator, NCUA, conducted a virtual examination of our financials records and our policies and procedures in addition reviews the CUs quarterly reports. In addition an on-sight audit to determine the credit union's compliance with NCUA's laws and regulations dealing with the Bank Secrecy ACT, OFAC, (Office of Foreign Asset Control) ACH (National Automated Clearing House Assoc. and SAFE Act (Secure and Fair Enforcement for Mortgage Licensing) was performed by Albright Consulting Services. We wish to acknowledge the work of the committee and to thank them for their commitment to the continued success of this credit union. The committee is pleased to report once again, that the assets of Plattsburgh City School District Federal Credit Union are safe and secure. The cost of these audits was \$6,464.

Loan Officer's Report-Tim Mulligan

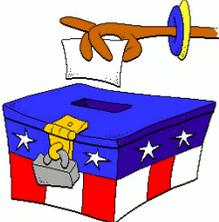
The loan officer, appointed by the Credit Union Board is charged with evaluating member's creditability and approving loans to members within the policies set forth by the Board of Directors. Although the primary function is protecting the assets of this credit union against loan loss, the loan officer works with management to keep competitive loan rates available to members. A total of 200 loans were approved and processed in 2020 totaling \$1,421,401 with the average loan balance at \$7,978 and an average loan per borrower at \$12,717. The credit union remains committed to ensuring that all members receive a fair and timely review of their loan inquiries and applications. We continue to strive to serve the needs of all our members and to ensure that the credit union's loan portfolio remains strong.

Along with our staff the loan officer is 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.

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. 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, Abaigael Lebrun, Grace McMahon and Alex Tuller. Awarded at the 2021 Graduation were three scholarships for a total of \$1,550 to Andie Abdallah, Ethan Bushey, and Sophia Sherman.

2021 Elections Board of Directors



The 7-member Board of Directors has responsibility for directing and controlling the affairs of this credit union. They meet monthly to establish and review policies, examine financials to insure continued sound management of our credit union. In addition they elect officers, appoint a supervisory committee to act as an independent "watch dog" and appoint a loan officer to evaluate member's credit and approve loans.

Two positions are open for nominations. Steve Bedard and John Haubner are willing to continue to serve for 3-year terms and are on the ballot. If you are interested in serving on the Board please contact the credit union or any Board member.

Minutes of Annual Meeting--December 10, 2021

Our 60th annual meeting was held at 5pm with a total of 26 members logged on to our first Virtual meeting. Members welcomed. Members were asked to make sure that if two people were in attendance that both their names were recorded. The list will be used to register members in attendance.

Meeting was called to order, members were asked to refer to the "Annual Report to Membership" that was attached to their invitation email. A copy of the report is also on our website. Members were directed to minutes of the annual meeting held in 2019 at Valcour Brewing in the annual report.

President Steve Bedard welcomed members and gave a brief overview of his written report. Steve recognized the members of the board, the supervisory committee, the loan officer, manager and the office staff. He complimented all for their commitment to this credit union. Anna Sherman reviewed the financial report for 2019 highlighting our assets, savings, loan, and reserves. The average savings and loans held by our 727 members.

She further explained the credit union membership and our history with the City School District. She thanked the staff especially for their work, their ingenuity during this past COVID year in helping members to continue to conduct business even with the building being closed by establishing a makeshift drive-up window. She thanked the school district for their support especially during this past difficult time. Recognized the board for their support and continued professionalism and commitment. She encouraged all to read the annual report.

Tim Mulligan, our loan officer gave a brief overview of our loan portfolio, close to \$5.3 million. He reviewed the loan process and encouraged members to use our credit union for their lending needs as well as for savings. He thanked the staff for their support and work during this difficult time.

Karen Lash, our supervisory chair thanked her committee and gave a brief overview of the committee's work along with a review of audits conducted during 2019 and reassuring members that the credit union was financially sound, safe and secure.

Tim Mulligan presented the names willing to serve for 3-year terms, Alan Feazelle, Kathy Light, and Anna Sherman. Tim asked for additional nominations, none were presented, so asked Secretary to cast one ballot for the slate.

Members were informed of the \$6 per member in attendance will be donated to the local food shelf. The CU rounded the attendance to 30 and donated \$180 to the Plattsburgh Interfaith Food Shelf.

Procedures for drawing was reviewed. Names in attendance were entered into drawings during following week, names were drawn by members conducting CU business and a \$60 deposit was made to the account of the following members: Judy Rose, Kathy Light, Dawn Filion, Norbert Neiderer, John Fountain and Nona Garrand.

President Steve Bedard asked for a motion to adjourn the meeting at 6:30.

Remember once a member you can always remain a member. 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 pay for dividends on savings and keeps the credit union financially viable. The more you participate in all of the benefits of belonging, the more productive your credit union can be. **Thank you Members!**