



ANNUAL REPORT 2017



20 Wade Road | Latham, New York 12110

Board President's Report

I believe that over the past years in my report at this meeting, I have shared with you the "vision" of the Credit Union. That vision "to grow the business", is not mine alone. It is shared by the Directors, Management and Staff and signifies the direction that we all want the CU to take in moving forward. But what does it mean? It could mean that the CU just wants to be bigger, more members, more assets; and while there is nothing wrong with that, it isn't exactly the thought behind the phrase.

The heart of this phrase is that we, collectively, want this CU to be an even better place to conduct your financial business while remaining "the friendly place to bank". We want our members to be at home here, so that when they need that new car – they think of this CU first in helping them reach that goal. When the decision is made to purchase a home, either the first one or the next one, they think of their membership in the Credit Union to help them through the process. When unexpected expenses arise, or their home needs significant repairs, or when tuition expenses loom, they think of that place where they are known and welcomed, to solve their financial problem.

To this end, your CU has moved with the times and the financial industry to provide the best possible combination of services and programs at the least cost, to benefit its members. These things range from our website to our mobile app, to shared banking, too many other behind the scene technological improvements, all of which have been carefully chosen and implemented to become part of the fabric of this CU.

On January 26th of this year, we opened the latest and most visible of all of our improvements: our first, standalone, full-service branch. For our Credit Union, this is a major achievement. I hope all of you take a moment in the near future to visit it and see for yourselves the future of banking with your Credit Union. I know you will be impressed.

So back to our vision. How do the branch and the other improvements help fulfill our vision? By showing the progress of this CU and the confidence in it held collective by the Directors, Management and Staff.

In my remarks at the opening of the branch, I thanked many people and organizations that helped make that milestone possible. But for all of those thanked, the most important by far, are our members, for without their confidence in the CU and their willingness to entrust their financial needs to it, the improvements in services and programs, and most notably the branch, would not have been possible.

So we're right back to the beginning, where I shared with you the vision for the future "to grow the business". Because, in doing that, while remaining true to being "the friendly place to bank" we will attract new members and increase our assets so that more can be done for our current and future members.

As always, my thanks to the Board (and all the volunteers), the Management and the Staff for working to fulfill the "vision". I would be remiss if I didn't share with you that the work of being the best, will continue into the future with the help of members, volunteers, management, and staff.

Tom Ellis
Tom Ellis | Board Chairman

CEO Report to the Membership

Although a lot has changed over the past 81 years, we have remained committed to our roots.

Service is still provided to the National Grid employees at 1125 Broadway. Past and present employees contribute greatly to our success through their financial relationships, as well as their contributions as volunteers. We look forward to serving the needs of future National Grid employees as well.

We still fill a need not being met by banks, like reasonable rates on auto loans, including those for first-time buyers. During 2016, we set a goal to save members \$1 m by refinancing loans they had with banks. The goal was achieved within 5 months. A Lucky Savers account was rolled out October 1st to encourage savings and provide opportunities to win prizes for doing so. We also continue to help people with past credit problems get back on track, something banks do not do.

We remain committed to the long-time credit union motto of "People Helping People". Support was provided to numerous organizations, events, and causes during 2016. One cause was the Arthritis Foundation's Jingle Bell Run which I served as Corporate Chair for and over \$50,000 was raised. In recognition of service to our country, our Veterans' Return the Favor program was enhanced during 2016. Eligible Veterans and Military Personnel can now receive a .25% discount on loans and an additional .25% APY on qualified Share Certificates. In conjunction with the Cornell Cooperative Extension, we now provide financial literacy classes to the community at various business partner locations. A first-time home buyer program will be rolled out in the coming months, offering up to \$7,500 to those meeting the program requirements.

As you can see, we have remained committed to our roots and will continue to do so.

I would like to thank our staff for their continued support and dedication in helping Community Resource reach its full potential. Staff voted us one of the Best Places to Work during 2016. Our staff makes us one of the Best Places to Work and the Friendly Place to Bank.

Additionally, I want to thank the Board of Directors for their support and commitment. Our Board of Directors are volunteers whom without them we would not exist.

Finally, I want to thank our members for allowing us the privilege of serving them and their families' financial needs.



Terry Langlois | CEO

Community Resource Federal Credit Union
Consolidated Income Statement
For the Period Ending 12/31/2016

	Year to Date
INCOME	
Income from Loans	\$ 3,903,748.17
Investment Income	159,896.72
Debit Card Interchange Income	116,711.73
Elan Interchange Income	82,430.10
Other Fee Income	323,929.19
Misc. Operating Income	104,664.79
TOTAL INCOME	4,691,380.70
DIVIDENDS & INTEREST EXPENSE	
Dividend Expense	(506,993.05)
Interest Expense	(5,582.41)
TOTAL DIVIDENDS & INTEREST EXPENSE	(512,575.46)
MARGIN	4,178,805.24
OPERATING EXPENSES	
Compensation	(1,221,072.17)
Employee Benefits	(425,778.32)
Travel and Conference	(21,233.32)
Office Occupancy	(144,810.52)
Office Operations	(251,213.33)
Marketing Expense	(185,113.66)
Loan Servicing	(261,052.03)
Professional & Outside Services	(390,576.25)
Provision for Losses	(615,000.00)
NCUSIF and NCUA Supervisory Expense	(13,854.21)
Cash Over and Short	(1,309.12)
Other Operating Expenses	(54,055.05)
TOTAL OPERATING EXPENSES	(3,585,067.98)
NET OPERATING INCOME	593,737.26
Gain (Loss) on Investments	0.00
Gain (Loss) On Dispositon of Assets	(21,237.09)
TOTAL NON OPERATING INCOME/EXPENSE	(21,237.09)
NET INCOME	\$ 572,500.17

Community Resource Federal Credit Union
Consolidated Balance Sheet
December 31, 2016

ASSETS

Consumer Loans	\$ 37,199,940.97
Private Student Loans	3,600,336.61
Home Equity Loans	16,942,114.44
Mortgage Loans	6,140,328.42
Allowance for Loan Losses	(656,097.46)
FASB 91	436,745.91
Cash	2,550,115.34
Investments	11,049,489.52
Prepaid Expenses	154,881.51
Accrued Income	446,960.55
Fixed Assets	2,862,722.62
NCUA Share Insurance Fund	653,788.86
Other Assets	158,595.76
	<u>\$ 81,539,923.05</u>

LIABILITIES, SHARES & EQUITY

Accounts Payable	\$ 5,343.99
Accrued Expenses	431,859.69
All Other Liabilities	<u>2,303,239.71</u>
Regular & Other Savings	12,182,354.54
IRA Shares	1,775,174.36
Money Market Shares	16,764,308.68
Share Drafts	5,817,203.68
Share Certificates	26,892,122.02
IRA Certificates	<u>5,413,680.37</u>
Regular Reserves	743,232.44
Undivided Earnings	9,189,946.98
Unrealized Gain (Loss)	<u>21,456.59</u>
TOTAL LIABILITIES, SHARES AND EQUITY	<u><u>\$ 81,539,923.05</u></u>

Treasurer's Report

In 2016 Community Resource FCU continued to fulfill our goal of expanding our Community charter. The opening of our new full- service branch in early January gives us access to a rapidly growing Southern Rensselaer County. Along with an aggressive marketing campaign for Albany, Rensselaer, Schenectady and Saratoga we now have a unique opportunity to better serve both existing and future members and businesses in the Capital Region.

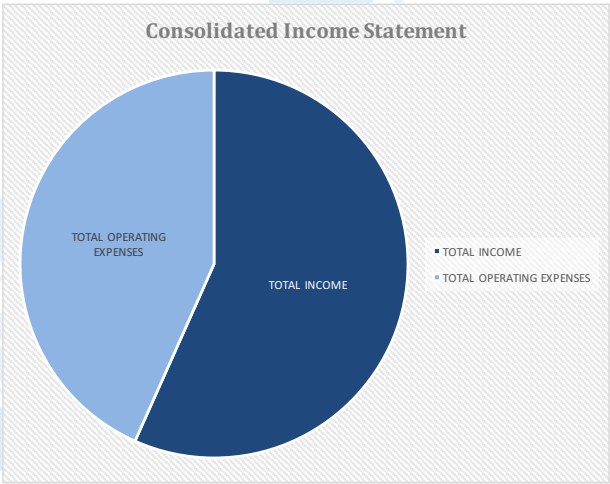
Our Membership grew to 7,048 members, which was a net gain of 228 members. There were 1,269 loans extended to members, these loans totaled \$20,629,511. Net loans for the year were \$ 63,663,511. Our end of year investments were \$11,049,490 and our net income was \$ 572,500. Total

operating expenses for the year was \$3,585,068, which is a decrease of \$244,143 over 2015. Assets have increased by \$5,658,609, which is a new high of \$ 81,539,923. Since the beginning of the credit union, we have extended 91,747 Loans to members, totaling \$449,912,429. The management, staff and volunteers have my sincere thanks for their dedication and hard work. You have made 2016 a very successful year and we look forward to many more.

For more details about the financial conditions of Community Resource FCU, Please review Our statement on the back of this report.

Respectively Submitted

James M Keegan
James M Keegan
Treasurer



2016 Supervisory Committee Report

At the beginning of 2017 the supervisory committee signed a three year contract with the accounting firm of Wojeski and Company to complete our annual audit, quarterly reviews and the Bank Secrecy Act and OFAC audits. These audits are done in order to fulfill the committee's responsibility to ensure that Community Resource operates within established laws and regulations and that member assets are safeguarded and used according to the credit unions bylaws. Also this ensures that the credit union's records are maintained properly and accurately.

In the spring of 2016 the committee completed the biennial verification of all member accounts. The purpose of the verification is to ensure the accuracy of member account information and balances.

Any resulting inquiries were addressed by the committee.

As always the committee is grateful to the board of directors, management and staff for their ongoing cooperation and support.

If any member has any unresolved questions or concerns about their accounts they can contact the committee chairperson by sending correspondence to:

Daniel A. Abatto
Daniel A. Abatto
Supervisory Committee
PO Box 217
Schodack NY 12063-0217

Committee Members:

Daniel A. Abatto (Chairperson)
Maryellen Quinn
Joseph Kryzak

Members by the Numbers

754
Opened accounts in



449
Closed accounts in



7,048
of members as of



Community Resource Federal Credit Union Celebrates Grand Opening of New North Greenbush Branch



Community Resource Federal Credit Union (CRFCU) celebrated the grand opening of its newest branch located in North Greenbush on the corner of Routes 4 and 43. An official ribbon cutting ceremony, hosted by the Rensselaer Chamber of Commerce, was held on Thursday, January 26th.

The new branch features a modern design, a full service drive-thru ATM with 24 hour access and a technology center designed to provide members the ability to conduct self-service banking transactions for on-the-go convenience. The tech bar will feature tablets that members can use to learn more about online and mobile banking solutions as well as find information about CRFCU's products and services. The comfortable atmosphere also provides wireless Internet and a coffee bar.

The lobby and drive-through at CRFCU's North Greenbush branch are open from 9:00 am – 4:30 pm Monday through Friday and 9 am–12 pm Saturday. The credit union may be accessed from Bloominggrove Drive.

www.CommunityResourceFCU.com

2016 Directors

Tom Ellis
Chairman

Russ Haight
Vice Chair

Jim Keegan
Treasurer

Dan Abatto
Secretary &
Supervisory Chair

Ellin Luft
Member

Eugene Reyes
Member

Jack Shellard
Member

CRFCU
Executive Management

Terry Langlois
CEO/President

Susan Munks
Vice President of Lending
Operations

Marc DeNofio
Vice President of Marketing &
Retail Delivery