

2017

ANNUAL REPORT



Community
Resource

Federal Credit Union



BOARD PRESIDENT'S REPORT

Good evening. Welcome to Community Resource Federal Credit Union's eighty second annual meeting. My name is Tom Ellis, and I am Chairman of the Board.

As I write this report, a number of weeks prior to the annual meeting, the country is engaged in following the Olympics. It is an event that garners the interest of a large segment of the country's population. The news is rightly filled with the details of the efforts of competitors striving to give their best performance, some on an individual level, some in team events. The stories of these efforts are an inspiration to all of us.

In many ways 2017 was a gold medal year for our Credit Union. Among the significant accomplishments were: the opening of our first, standalone, full service branch, a substantial increase in the number of new members, an increase in the number of loans granted and in the dollar amount of those loans. Presenters following me will, I am sure, expand on these milestones.

I believe a similar "Olympic" effort takes place on both individual and team basis to achieve these results. The staff and volunteers that make this Credit Union flourish are "gold medal" winners all the time. They give their best effort day in and day out, some directly interacting with our members, some operating in the background, but no less importantly. They exhibit great teamwork and go the extra mile required to accomplish the task, be it financial work or charity endeavors. Without the effort and commitment from the staff and volunteers, these outstanding results could not have been accomplished. I thank them one and all.

The Board of Directors is keenly aware of these efforts and has only the highest praise for each and every one of you. Last but not least, we thank our members, without whose support none of our accomplishments would be possible.

The future, as usual, is unpredictable. The Credit Union, inspired by its past success, looks forward to it, confident in its ability to meet the challenges that lay ahead. We are committed to being the best provider of financial products and services at the lowest cost, while remaining firm in our endeavor to be a benefit to the community around us.

The vision stays the same: to grow the Credit Union by providing even better service and products for you in the future.

Tom Ellis

Tom Ellis | Board Chairman

CEO Report to the Membership

Many people would look at our financial statements and say we had a successful 2017. After all, the numbers show loans up 9% to almost \$70 million, deposits up 5% to \$72 million, and membership up 6% to nearly 7,500; all well maintaining strong Net Worth.

However, these are only the byproduct of our strong desire to help others. A recent staff survey, shows our staff is highly inspired by the work they do for our members. This includes such things as saving members money on their loans, recommending deposit options that earn more, providing knowledge and information to help member's make informed financial decisions, assisting members with resolving personal financial problems, and recommending services members can benefit from. The value members see in CRFCU often leads them to referring friends and family to us.

The desire to help others extends into our community as well. In addition to the special incentives we offer military, veterans and first responders, we supported many causes during 2017 related to these groups. We also partnered with the Tri-City Valley Cats during 2017 to bring fans the "Home Run Community Heroes Starting 9", a program which recognized 9 local heroes that make a difference in people's lives every day. CRFCU and staff supported numerous other causes during 2017. Additionally, several employees commit time to helping various causes outside of CRFCU...a reflection of their desire to help others.

In closing, I would like to thank our staff for their continued support and dedication in helping Community Resource reach its full potential through their commitment in helping our member and others. Our staff makes us 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.

I also want to thank Russ Haight who retired from the Board in September, after serving on the Board and Supervisory Committee for several years. His assistance with oversight during the construction of our branch was especially helpful.

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



Terry Langlois | CEO



TREASURER'S REPORT

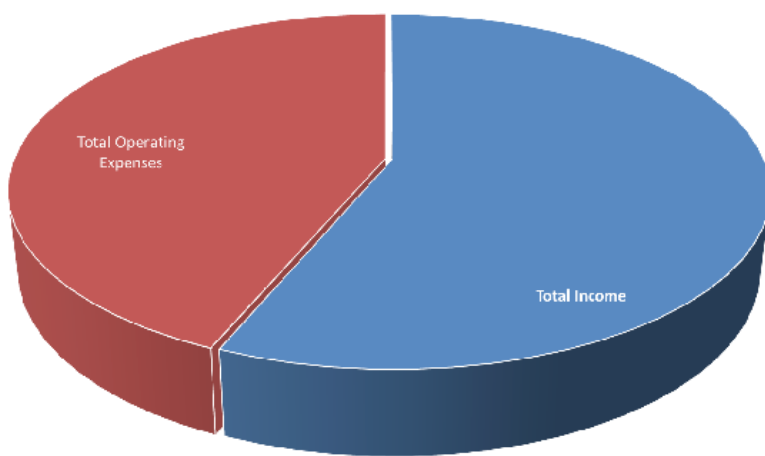
In December of 2017 Community Resource FCU has successfully completed its first Year occupancy of our North Greenbush branch. Along with our Latham branch membership has grown to 7,479, a net gain of 431 members. There were 1,493 loans granted, which totaled \$25,308,798. Net loans for the year were \$ 69,748,189. Our end of year investments were \$7,934,214 and our net income totaled \$ 373,084.

Total operating expenses for the year was \$3,539,373, our assets have increased by \$3,294,859, for a new high of \$ 84,834,416. Since the beginning of the credit union, 92,149 Loans totaling \$473,664,782 have been extended to members.

The management, staff and volunteers have my sincere thanks for their dedication and hard work. Once again, you have made 2017 a very successful year and we look forward to many more

+For more details about the financial conditions of Community Resource FCU, Please review the statement in this report.

Jim Keegan
Jim Keegan | Board Treasurer



REPORT OF THE SUPERVISORY COMMITTEE

The Supervisory Committee is a group of volunteers, appointed by the Board of Directors, who function as the members' representatives. The Committee is responsible for ensuring that the Credit Union's financial records are maintained accurately, its financial condition is fairly reported, and internal controls are in place to protect its assets. To assist in accomplishing these tasks, the Committee hires an independent auditing firm. For the past several years, the experts at Wojeski and Company, CPAs have conducted the required comprehensive annual audit along with quarterly audits that review specific areas of the Credit Union's operations. As in the recent past, the report of this year's audit found everything to be in balance, reported accurately, and with no exceptions.

During the year, Committee members also conduct various verifications and reviews that include verifying new and closed accounts, unannounced counts of teller and branch cash, review of corporate credit card transactions, as well as other monitoring to protect against any fraudulent activity. The Committee is here for you. If any member has an unresolved question or concern about their account, they should write to the Committee at the address below.

I am honored to present my first report as Chairman of this Committee. My sincere appreciation for the hard work and dedication of the other members, Joseph Kryzak and Mary Ellen Quinn. I especially want to recognize Dan Abatto for his many years as Committee Chairman and for his continued service on the Committee. Our thanks, also, to the volunteers on the Board of Directors for their commitment to the Credit Union and to the Management and Staff for their cooperation and outstanding performance.

Community Resource continues to be a well-run, financially-sound financial institution dedicated to providing exceptional products and service. You should be proud to be a member!



Elizabeth U. Kirddlon | Chair

Community Resource Federal Credit Union
Consolidated Income Statement
For the Period Ending 12/31/2017

	Current Month	Quarter to Date	Year to Date
INCOME			
Income from Loans	322,338	960,091	3,765,573
Investment Income	13,206	41,508	181,087
Debit Card Interchange Income	12,601	30,681	132,961
Elan Interchange Income	6,988	21,132	84,579
Other Fee Income	28,973	87,488	304,389
Misc. Operating Income	15,302	29,535	115,292
TOTAL INCOME	399,409	1,170,434	4,583,881
DIVIDENDS & INTEREST EXPENSE			
Dividend Expense	(54,726)	(156,889)	(590,734)
Interest Expense	(1,786)	(5,477)	(24,123)
TOTAL DIVIDENDS & INTEREST EXPENSE	(56,512)	(162,366)	(614,857)
MARGIN	342,897	1,008,068	3,969,024
OPERATING EXPENSES			
Compensation	(111,762)	(346,247)	(1,379,960)
Employee Benefits	(28,241)	(82,606)	(335,120)
Travel and Conference	819	47	(23,976)
Office Occupancy	(15,179)	(47,677)	(205,428)
Office Operations	(24,251)	(76,469)	(307,789)
Marketing Expense	(13,827)	(47,977)	(196,152)
Loan Servicing	(18,112)	(60,455)	(225,892)
Professional & Outside Services	(32,613)	(105,426)	(425,238)
Provision for Losses	(25,000)	(140,000)	(362,000)
NCUSIF and NCUA Supervisory Expense	(1,552)	(4,656)	(18,618)
Cash Over and Short	(48)	(48)	(627)
Other Operating Expenses	(5,124)	(12,593)	(58,574)
TOTAL OPERATING EXPENSES	(274,889)	(924,107)	(3,539,373)
NET OPERATING INCOME	68,008	83,961	429,650
Gain (Loss) on Investments	0	0	0
Gain (Loss) On Dispositon of Assets	(4,832)	(6,127)	(56,566)
TOTAL NON OPERATING INCOME/EXPENSE	(4,832)	(6,127)	(56,566)
NET INCOME	63,176	77,834	373,084

Community Resource Federal Credit Union
Consolidated Balance Sheet
December 31, 2017

ASSETS

LOANS

New Vehicle Loans	2,646,333
Used Vehicle Loans	15,332,848
RV/Boat/Power Sports	17,233,373
Personal Loans	3,997,427
Share Secured Loans	231,586
Education & GSL Loans	310,953
Overdraft Loans	638,983
Loans to Businesses	571,183
CU Student Loans	3,296,911
Owners Choice Loans	5,864,812
Home Equity Loans	19,703,243

Total Loans 69,827,653

FASB 91 518,421

Allowance for Loan Loss (597,884)

NET LOANS 69,748,189

OTHER ASSETS

Investments	7,934,214
Cash and Cash Equivalents	2,810,754
Accounts Receivable	97,254
Accrued Income from Investments	22,490
Accrued Income from Loans	236,900
NCUSIF	715,208
Prepaid & Deferred Expenses	89,011
Land & Building	2,867,250
Furniture & Fixtures	265,966
Collateral in Process of Liquidation	47,181
All Other Assets	0

TOTAL ASSETS 84,834,416

LIABILITIES, SHARES & EQUITY

LIABILITIES

Accounts Payable	1,368
Accrued Expenses	352,712
All Other Liabilities	1,910,267

TOTAL LIABILITIES 2,264,347

SHARES

Regular & Other Savings	13,115,187
IRA Shares	1,690,723
Money Market Shares	15,927,078
Share Drafts	6,890,802
Share Certificates	29,743,677
IRA Certificates	4,896,465

TOTAL SHARES 72,263,932

EQUITY

Regular Reserves	743,232
Undivided Earnings	9,563,031
Unrealized Gain (Loss)	(127)

TOTAL EQUITY 10,306,137

TOTAL LIABILITIES, SHARES AND EQUITY 84,834,416

Directors 2017-2018

Tom Ellis
Chairman

Ellin Luft
Director

Jack Shellard
Vice Chair

Eugene Reyes
Director

Jim Keegan
Treasurer

Jessica Caggiano
Director

Dan Abatto
Secretary

Brian Keegan
Associate Director

CRFCU Executive Management

Terry Langlois
CEO/President

Susan Munks
Vice President of
Lending Operations

Marc DeNofio
Vice President of Marketing
& Retail Delivery

Supervisory Committee Members

Elizabeth U. Kindlon, Chair

Daniel A. Abatto

Joseph Kryzak

Maryellen Quinn

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Latham, NY 12110
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