

# 2020 Annual Report



## People Helping People



*The friendly place to bank.*

# **AGENDA OF THE ANNUAL BUSINESS MEETING**

**March 23,2021**

## **VIRTUAL MEETING**

Call to order

Appoint Recording Secretary

Thomas Ellis

Reading and Acceptance of the Minutes  
of the September 2020 Meeting

Thomas Ellis

Report of the Chairman

Thomas Ellis

Report of the Treasurer

Brian Keegan

Report of the President/CEO

Terry Langlois

Report of the Supervisory Committee

Elizabeth Kindlon

Report of the Nominating Committee

Thomas Ellis

Election of Directors

Thomas Ellis

New Business

Thomas Ellis

Adjourn

## Report of the Chairman

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

Thank you for attending this meeting. First of all, I hope you and your families are all well and continue to take care of yourselves.

### A YEAR LIKE NO OTHER

That is certainly the correct description of the previous twelve months. To start at the beginning – just one year ago, our annual meeting was canceled at the last minute due to the impact of the Covid19 virus, thus begin the start of a year like no other!

Life as we knew it was changed in ways we could not imagine: sickness, loss of jobs, in home classes, hybrid teaching, working from home, Covid testing, and the list goes on. We were forced to adapt, to change and to persevere to continue on.

The Credit Union, likewise, was forced to modify its operations to accommodate the new reality by limiting access, shifting to working remotely and many other actions. Like our members, our focus was to adapt and carry on. Once the new reality started, our vision became how to best provide help to our members. A number of programs were begun to give that help (such as: delaying payments on certain loans, CRISIS loans, and numerous other programs).

The Credit Union met these challenges by calling on its essential workers: the staff and volunteers and also no less important - the members! All the necessary safety protocols were followed in order to provide a safe environment for everyone. As a result of meeting these challenges, we have the confidence going forward to meet any future ones because of our dedicated staff and volunteers.

They are the cornerstone that allows this Credit Union to flourish. Without their efforts and commitment, these difficult times could not have been overcome. Thanks also to our members, without whose support, none of our accomplishments would have been possible.

The future, as usual, is unpredictable, but having overcome this past year the Credit Union is confident in its ability to continue to grow by safely providing even better products and services for our members in the future.

*Tom Ellis*

Chairman

# Report of the Treasurer

Good evening. And thanks for joining us tonight.

My name is Brian Keegan and I have the privilege of serving as the Board Treasurer for Community Resource Credit Union.

I am happy to report that the financial condition of Community Resource FCU continues to be strong with solid performances from our Latham and North Greenbush branches.

Our total Membership was 6,786 at the end of 2020 and last year we granted 1,085 loans totaling \$29,165,178.

Net loans for the year-end of 2020 were \$81,555,874.

Since its creation in 1935, our Credit Union has made 96,926 loans totaling \$551,740,355.

Total operating expenses for 2020 were \$3,425,089. Assets increased by \$5,969,421, for a new high of \$99,034,115. Net income was \$400,522. And our end of year investments totaled \$6,795,673.

The management, staff and volunteers have my sincere thanks for their dedication and hard work. Despite the substantial challenges last year, they made 2020 another successful year

and we look forward to many more. I would also like to welcome all our new employees who have joined our team during the past year. Thank you all very much.

Respectively submitted,

*Brian Keegan*  
Treasurer

# Report of the President/CEO

We started 2020 with a booming economy and so much to look forward to. An obscure article in mid-January mentioned an unknown virus originating from Wuhan. Little did we know how quickly COVID-19 would change everything we took for granted. By mid-March, nothing seemed certain except uncertainty.

As people were feeling the most vulnerable and everything around us was shutting down, we jumped into action as financial first responders to meet our members' needs. When NCUA eased restrictions so we could work with members impacted by COVID-19 who had loans, we quickly implemented a loan forbearance program which helped nearly 10% of our borrowers. When encouraged by NCUA and Governor Cuomo to not charge fees for overdrawn accounts, we went even further and started posting all incoming direct deposits as soon as we had the information...sometimes up to 5 days early. This helped a lot of members get the money they needed to buy essential items before they disappeared off the shelves.

This was nothing new though because we always seek to uphold the credit union tradition of "People Helping People" and focusing on improving the financial well-being of our members. Financial well-being is about the choices individuals can make regarding their finances and their relationship with money. It is certainly more than living paycheck to paycheck trying to make ends meet. Having financial well-being means you have the money to pay for groceries, bills, or other essentials. You have a safe place to rest your head, you have the savings to weather an emergency or unforeseen challenge that may come up. It is about the financial freedom to begin to dream. Maybe it is your first home or first car.

Examples of how we work to improve the financial well-being of our members and others within the community include:

- Our award-winning efforts to provide financial education classes through several non-profits in the capital region;
- Our award-winning Community Heroes Program which gives back to military personnel, law enforcement, firefighters and other first responders through loan discounts and bonus rates on CDs;
- Our efforts to actively encourage members to save, which earned us the America Saves Designation of Excellence for going above and beyond; and
- More than doubling Home Equity loan closings during 2020 to \$12 m, helping members reduce the interest they are paying on their homes.

Individual examples of improving the financial well-being of our members include the following:

- A retirement planning strategy years ago was to save up a bunch of money, place it in CDs and live off the interest. As such, these members want to earn as much interest as possible. Prior to the pandemic, Sandy Burgess was asked by a member if we could match a CD rate of 2.14%. Not wanting to say no, I did a little research and found this member was the surviving spouse of a WWII veteran who saw action in France and Belgium. As such, I decided as his widow, she qualified for our Community Hero Program and we were able to offer her our 19-month CD plus a 1/4% bonus to give her a rate of 2.32%. She was so happy we were able to work with her and honor her husband.
- We had a couple come in to finance the purchase of a motorcycle. The couple would be considered high income earners and living comfortably; however, the wife expressed concern about their monthly obligations. Ryan Yanni came up with a plan to restructure \$20,000 of debts and reduce their monthly obligations by over \$900. Although they were able to afford the obligations before the restructuring, this put them in a position where they would have less to worry about should an unforeseen event occur.
- We had a member decide she was going to take her \$4,000 of stimulus money and use it as a down payment on a "safe & reliable vehicle for her and her children". The dealer tried all weekend to line up financing for her but was unsuccessful. Within a short time of speaking to Kevin Hoag on Monday morning, she was approved for the financing she needed and closed by the end of the day.

As you can see, we are helping members with their financial well-being in many ways; however, I believe we can do more. One of our strategic objectives for 2021 is to review all policies, procedures, products, services, and training to identify ways for us to do even more to improve the financial well-being of our members.

I want to commend our staff for their teamwork and commitment throughout this pandemic. Despite all the personal challenges, our staff has remained 100% committed to serving the needs of our members.

I would like to thank our Board of Directors for their continued support and commitment. During this pandemic, we have had to make many changes and exceptions to doing business as usual; making sure the actions we take now, are not regretted in the future. The Board of Directors supported us 100% of the way.

Finally, I want to thank our members for allowing us the privilege of serving them.

**Terry Langlois**  
President/CEO

# 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 financial records are maintained accurately, the financial condition is fairly reported, and internal controls are in place to ensure that the Credit Union operates in a safe and sound manner. It serves as the members' watchdog -the eyes and ears that look for any threats that could negatively impact the financial health and wellbeing of the Credit Union.

To assist in accomplishing these tasks, the Committee hires an independent auditing firm, Wojeski and Company, CPAs. These experts conduct the required comprehensive annual audit along with quarterly audits that review specific areas of the Credit Union's operations. The audits for 2020 found everything to be in balance, reported accurately, and with no exceptions.

Every other year, the Committee conducts a verification of all members' accounts. This is a "negative verification" meaning that no response is required from members unless there is an error, question, or concern about any activity on their account. The 2020 verification resulted in a few questions from members that were addressed but there were no issues found. However, the large number of address changes from this mailing serves as an important reminder for members to change your address with the Credit Union whenever you move.

The Supervisory Committee is here for you. If any member has an unresolved question or concern about their account that they have first addressed with staff and/or management, they should write to the Committee at the address below.

My thanks to the Committee members for their service during this past year. Thanks also to the volunteers on the Board of Directors for their commitment to the Credit Union. We also appreciate the Management and Staff for their cooperation and outstanding performance that results in a well-run, safe and sound financial institution dedicated to providing exceptional products and service. This was especially true as they met the challenges of operating during the pandemic. You should be proud to be a member!

Elizabeth U. Kindlon  
Supervisory Committee  
PO Box 947  
Guilderland, NY 12084-0947

Committee Members  
Elizabeth U. Kindlon, Chairman  
Joseph Kryzak  
Maria McGinniss



**Community Resource FCU**  
**Consolidated Income Statement**  
**December 31, 2020**

**INCOME**

Income from Loans	3,936,932
Investment Income	128,240
Debit Card Interchange Income	213,176
Elan Interchange Income	77,021
Other Fee Income	233,081
Misc. Operating Income	139,385

**TOTAL INCOME** 4,717,834

**DIVIDENDS & INTEREST EXPENSE**

Dividend Expense	(904,440)
Interest Expense	(12,722)

**TOTAL DIVIDENDS & INTEREST EXPENSE** (917,162)

**MARGIN** 3,800,672

**OPERATING EXPENSES**

Compensation	(1,456,572)
Employee Benefits	(399,461)
Travel and Conference	(6,278)
Office Occupancy	(234,364)
Office Operations	(258,997)
Marketing Expense	(69,001)
Loan Servicing	(178,896)
Professional & Outside Services	(445,831)
Provision for Losses	(310,000)
NCUSIF and NCUA Supervisory Expenses	(25,432)
Cash Over and Short	240
Other Operating Expenses	(40,497)

**TOTAL OPERATING EXPENSES** (3,425,089)

**NET OPERATING INCOME** 375,583

Gain (Loss) on Investments	0
Gain (Loss) On Disposition of Assets	25,839
Non-Operating Income	(900)
Other Temporary Impairment	0

**TOTAL NON OPERATING INCOME/EXPENSE** 24,939

**NET INCOME** 400,522

Community Resource FCU  
Consolidated Balance Sheet  
December 31, 2020

Liabilities, Shares & Equity

LIABILITIES

Accounts Payable	9,913
Accrued Expenses	368,005
All Other Liabilities	(460,145)
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TOTAL LIABILITIES (82,228)

SHARES

Regular & Other Savings	18,358,194
IRA Shares	1,759,130
Money Market Shares	17,655,575
Share Drafts	11,494,589
Share Certificates	33,373,801
IRA Certificates	5,180,554
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TOTAL SHARES 87,821,843

EQUITY

Regular Reserves	743,232
Undivided Earnings	10,799,324
Unrealized Gain (Loss)	21,943
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TOTAL EQUITY 11,564,499

TOTAL LIABILITIES, SHARES AND EQUITY 99,304,115



**Community Resource FCU**  
**Consolidated Balance Sheet**  
**December 31, 2020**

**Assets**

**LOANS**

Vehicle Loans	18,763,009
Boat / RV	16,367,522
Power Sport	5,784,147
Personal Loans	3,571,350
Share Secured Loans	157,341
Education & GSL Loans	136,960
Lines of Credit	481,741
Loans to Businesses	1,237,496
CU Student Loans	1,751,776
Owners Choice Loans	5,463,628
Home Equity Loans	27,840,905
<b>Total Loans</b>	<b>81,555,874</b>
FASB 91	519,349
Allowance for Loan Loss	(506,500)

**NET LOANS**

81,568,722

**OTHER ASSETS**

Investments	6,795,673
Cash and Cash Equivalents	6,668,355
Accounts Receivable	105,273
Accrued Income from Investments	4,011
Accrued Income from Loans	209,784
NCUSIF	753,423
Prepaid & Deferred Expenses	127,922
Land & Building	2,720,347
Furniture & Fixtures	199,700
Collateral in Process of Liquidation	70,000
All Other Assets	0

17,735,392

**TOTAL ASSETS**

99,304,115

Community Resource was the only credit union in the state to win in three award categories in the

## 2020 New York State Credit Union Association Social Responsibility Awards



The Dora Maxwell Social Responsibility Community Service Award is given to a credit union or chapter/multiple credit union group for its social responsibility projects within the community. The award is given for participation in external activities within our community including support for CU4Kids, Interfaith Partnership for the Homeless and the Capital Roots Garden Bowl.



The Louise Herring Philosophy in Action Member Service Award is given to a credit union for its practical application of credit union philosophy within the actual operation of the credit union. It is awarded for internal programs and services that benefit membership. The credit union was awarded this for internal credit union efforts which include the CRFCU Community Heroes Program – a program designed to give back to military personnel, law enforcement, firefighters and first responders through loan discounts and savings bonuses along with financial education through Military Saves Week.



The Desjardins Financial Education Award recognizes leadership within the credit union movement on behalf of financial literacy for all ages. In the Desjardins Youth Financial Education category, Community Resource was recognized for its amazing efforts with its program to teach money recognition and financial responsibility using math skills visually impaired youth and young adults, skills which are often overlooked.



Community Resource Federal Credit Union, along with 11 other financial institutions, was awarded the America Saves Designation of Savings Excellence. This award, given by America Saves, is made annually to those financial institutions that go above and beyond to actively encourage members to save, increase savings, save automatically and build wealth. All told these financial institutions had 124,938 members deposit \$363,847,981.49 into new and existing savings accounts during a one-week time frame. All of these institutions also promoted automatic savings and the need to save for emergencies and unexpected expenses using creative messaging through social media and communications to employees.

## BOARD OF DIRECTORS

Tom Ellis , Chairman

Jack Shellard, Vice Chair

Dan Abatto, Secretary

Brian Keegan, Treasurer

Elizabeth Kindlon

Ellin Luft

Eugene Reyes

## EXECUTIVE MANAGEMENT

Terry Langlois  
President/CEO

Deana Harrington  
Chief Operations Officer

Anthony LaPointe  
Chief Financial Officer/Chief Technology Officer

### Our Mission Statement

To improve the lives of our members and the community by providing access to affordable, reliable and solution based financial services.

### Our Vision Statement

To become the financial institution of choice; providing the best service possible; going above and beyond to help our members achieve their goals.