



CommunityResource
Federal Credit Union

**2023
ANNUAL REPORT**

Annual Business Meeting Agenda

Call to Order and Welcome

Affirm Quorum is Present

Appoint Recording Secretary

Introduction of Directors Present

Reading/Acceptance of the 2023 Annual Meeting

Report of the Chairman

Report of the Treasurer

Report of the President/CEO

Report of the Supervisory Committee

Report of the Nominating Committee

Election of Directors

New Business

Motion to Adjourn

VISION AND MISSION

VISION

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

MISSION

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



REPORT OF THE CHAIRMAN, THOMAS ELLIS

Four years ago, at about this same time of the year, the country and indeed the world itself was confronted with the worst crisis since the world wars. Looking back now, I am struck by the enormous disruption caused by the Covid pandemic to society, virtually leaving no aspects of our way of life untouched. The death toll in our country and worldwide was staggering, and the changes thrust upon our normal lives were nearly as unimaginable. There was not any aspect in our regular routines that in some way or other was not disrupted by the pandemic.

I must admit that when first considering the situation, I never fully anticipated everything that would transpire over the next four years. It was truly an unprecedented challenge that required all of us to adapt and persevere both in our home life, our businesses, and our relationships with people. As we look out on a different landscape today, it can hopefully be said that perhaps we have reached the beginning of the end of this disruption since many aspects of the economy have drastically changed for the better in the last year. The stock market is up. Of course, we know the stock market fluctuates over time, and what is up today, may be down tomorrow, but the trend is good, and the stock market for the first quarter of the year has performed very well.

The Federal Reserve, which sets interest rates to control inflation, has not recently raised the rate, indicating that the growth of the economy has slowed down. The lack of any increase in the interest rate should allow for the potential growth, over time, of consumer loans and mortgages.

REPORT OF THE CHAIRMAN, THOMAS ELLIS

A recently released jobs report stated that some 175,000 plus jobs were created in April, in line with predictions. The unemployment rate has remained low, recently showing only a small increase. Wages have also trended upward. The Consumer Price Index recently increased slightly, showing that inflation still needs to be controlled. To be sure, there are still weak spots in the economy that need improvement. These indices are all trending (for the most part) in the correct direction. They are a foretelling of an economy that is beginning to turn around, and in fact, as I said before, is hopefully the beginning of the end of the economic upheaval.

Your Credit Union is ready to help its members through this transition, towards a better financial environment for them and their families. The professional staff is ready to assist members in resolving any of their financial concerns and take advantage of their financial strengths in this economy.

I encourage all of you to reach out to the Credit Union staff to review your financial situation when you consider the need for a mortgage, a home equity loan, a new car loan, a credit and/or a debit card in the coming months. The Credit Union is prepared to help with those situations and to be your partner to enable you and your family to have a better financial life.

I want to thank the members without whom there would be no Credit Union. On behalf of the Board of Directors and myself, I also want to thank the professional staff that works every day taking care to help the members in whatever fashion is required, to have a better financial life. I also want to thank the Directors who have spent many hours over the last year representing the members in the operation of the Credit Union. Thank you for attending tonight and remember to reach out to the Credit Union.

Tom Ellis

REPORT OF THE TREASURER, BRIAN KEEGAN

It is with great pride that I stand before you today to reflect on the remarkable year we've had at Community Resource Federal Credit Union. Both our Latham and North Greenbush branches have played crucial roles in this success, with our membership growing to 6,653 valued members by the end of 2023.

In line with our long-standing tradition, we continued to support our community's financial needs last year. We disbursed 902 loans, pushing the total since our founding in 1935 to over 100,000 loans, cumulatively valued at an impressive \$627,736,174.

Our financial health remains strong, highlighted by the year's operating expenses at \$3,760,780 and maintaining stable assets worth \$113,884,128. Furthermore, our net income reached \$316,944, alongside an investment portfolio that grew to \$14,759,844.

I want to take a moment to commend our dedicated management, staff, and volunteers. Your hard work and commitment are the bedrock of our success. I am confident that, together, we will continue to build on these achievements.

I also extend a warm welcome to all new employees who have joined us over the past year. Thank you for your contributions and for choosing to be part of our journey toward greater success.

Thank you all for your attention, and let's look forward to another outstanding year.

Brian Keegan



REPORT OF THE PRESIDENT/CEO, TERRY LANGLOIS

Ninety years ago, on June 26, 1934, President Franklin Delano Roosevelt signed the Federal Credit Union Act, authorizing the formation of federally chartered credit unions in the United States. Nearly ninety years ago, on November 19, 1935, what is now known as Community Resource Federal Credit Union was formed. Through prudent financial management and oversight, we have the strongest financial strength of any federally chartered credit union with Assets exceeding \$15 million in the Capital District, as evidenced by our Net Worth position exceeding 12%.

Over the years, the leadership of Community Resource has placed great value upon serving our members and the community. During 2023, we determined it was time to officially define and articulate our Core Values, to preserve and promote company culture. After careful review and reflection, we identified our Core Values as:

- **Community Engagement**
- **Reliability**
- **Financial Empowerment**
- **Compassion**
- **Unity**

Community Engagement

We actively engage with our community to foster mutual growth and prosperity.

By collaborating with local organizations, supporting initiatives, and contributing to the betterment of the community, we aim to create a positive and lasting impact on the lives of our members and the broader society.

During 2023, we began partnering with the Ronald McDonald House of Albany. Like most non-profits, the existence of the Ronald McDonald House of Albany is heavily dependent upon the support of community partners and volunteers.

REPORT OF THE PRESIDENT/CEO, TERRY LANGLOIS

One way community partners support the Ronald McDonald House is by volunteering to prepare meals for guests of the House. While some of our staff were preparing breakfast last May, we learned the double oven had not been functioning properly for quite some time and needed to be replaced. By the end of June, the House had a brand-new double oven, thanks to the generosity of Community Resource.

Reliability

We are committed to providing reliable financial services to our members and community.

We understand the importance of trust and consistency, ensuring that our offerings meet their needs consistently and effectively, providing them with a strong foundation for their financial well-being.

During 2023, we rolled out our Energize Auto Loan program. Like a lease, the Energize Auto Loan program offers payments that are considerably lower than conventional financing. But unlike a lease, with the Energize Auto Loan program you own the vehicle and have all of the flexibility and benefits of vehicle ownership.

Financial Empowerment

We believe in empowering our members to take control of their financial well-being.

Through education, guidance, and tailored solutions, we go above and beyond to help them make informed decisions, achieve their financial goals, and attain long-term success.

Compassion

We embody compassion in all aspects of our work and interactions with understanding, empathy, and a willingness to help.



REPORT OF THE PRESIDENT/CEO, TERRY LANGLOIS

We genuinely care about the needs, challenges, and aspirations of our members and the community. By approaching every situation with understanding, empathy, and a willingness to help, we create an environment that fosters trust, support, and positive impact on the lives of others.

The following are some notable actions during 2023 relating to **Financial Empowerment** and **Compassion**:

- The Business Development Team was expanded. We do not want to be the best kept secret around.
 - More free workshops were provided to employer groups and organizations during 2023.
 - One team member earned the designation of Certified Credit Union Financial Counselor. This advanced training supports identifying the best solutions for the unique needs of our members based upon their situation.
- Wealth Management – in order to more fully support our members, we partnered with a local financial advisor to provide investment & insurance services.
- Backpacks for Kids - we continue to provide school supplies and backpacks to kids attending the Albany Policy Athletic League's summer program. It is always so heartwarming to see the excitement on the faces of these children.

Unity

We value unity within our organization, recognizing that a strong and cohesive team enables us to better serve our members and the community.

We foster a supportive and inclusive environment, promoting teamwork, respect, and collaboration among our staff members to achieve shared goals and uphold our mission and vision.



REPORT OF THE PRESIDENT/CEO, TERRY LANGLOIS

During 2023, we implemented DiSC profiles and training to improve communication, collaboration, and understanding amongst team members. DiSC is a powerful tool for understanding how teams naturally communicate and how we can adapt our communication styles to build more effective workplace relationships.

Conclusion

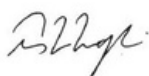
Core values are meant to be consistent and typically do not change much over time, or for different situations or people. They are non-negotiable when making business decisions. They do not sway with the trends and fads of the day – and they do not shift for the sake of expediency or in response to changing market conditions. They are like the roots of the tree, acting as an anchor for the business.

If Core Values are the roots, then culture is what can be seen atop the tree. During 2024, we are focused upon growing our culture. Culture is the set of behaviors and practices that evolve from our values and mission. It reflects the way our leaders and employees act, even when no one is watching. When leaders and employees act in alignment with core values, it is a reliable indicator of a good culture.

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 members and others. Our staff is what allows us to make a positive difference in the financial lives of our members.

Additionally, I want to thank the Board of Directors for their continued 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.





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 engages the independent auditing firm of Wojeski and Company, CPAs. They conduct the required comprehensive annual audit along with quarterly audits that review specific areas of the Credit Union's operations. As in past years, the audit for 2023 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 cash counts, 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 that they have first addressed with staff and/or management, they should write to the Committee at our Post Office box.

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'd also like to commend the Management and Staff for their dedication and outstanding performance that results in a well-run, safe and sound financial institution.



REPORT OF THE SUPERVISORY COMMITTEE

Financial services in the Capital Region have seen and continue to see numerous changes. However, CRFCU stands strong and dependable, continuing its nearly 90-year tradition of providing quality products and exceptional personal service to our members.

Thank you,

Committee Members:
Elizabeth U. Kind/on, Chairman
Joseph Kryzak
Maria McGinniss

Supervisory Committee
PO Box 947
Guilderland, NY 12084-0947

FOR THE PERIOD ENDING DECEMBER 31, 2023

Balance Sheet

	<u>ASSETS</u>	
LOANS		
Vehicle Loans	25,052,016	
Boat / RV	13,124,831	
Power Sport	4,536,684	
Personal Loans	6,089,183	
Share Secured Loans	192,137	
Education & GSL Loans	47,076	
Lines of Credit	458,571	
Loans to Businesses	1,017,429	
CU Student Loans	679,432	
Owners Choice Loans	4,493,474	
Home Equity Loans	29,352,435	
Total Loans	<u>85,043,268</u>	
FASB 91	378,037	
Allowance for Credit Loss	<u>(408,726)</u>	
NET LOANS		85,012,579
OTHER ASSETS		
Investments	14,759,844	
Cash and Cash Equivalents	9,897,455	
Accounts Receivable	107,346	
Accrued Income from Investments	40,257	
Accrued Income from Loans	221,046	
NCUSIF	930,043	
Prepaid & Deferred Expenses	176,238	
Land & Building	2,544,339	
Furniture & Fixtures	186,480	
Collateral in Process of Liquidation	8,500	
All Other Assets	0	28,871,548
TOTAL ASSETS		<u><u>113,884,128</u></u>

FOR THE PERIOD ENDING DECEMBER 31, 2023

Balance Sheet Con't

<u>LIABILITIES, SHARES & EQUITY</u>		
LIABILITIES		
Accounts Payable	46,102	
Accrued Expenses	440,718	
All Other Liabilities	(133,800)	
TOTAL LIABILITIES		353,020
SHARES		
Regular & Other Savings	22,662,146	
IRA Shares	1,242,020	
Money Market Shares	16,294,793	
Share Drafts	11,964,083	
Share Certificates	41,707,651	
IRA Certificates	6,070,571	
TOTAL SHARES		99,941,264
EQUITY		
Regular Reserves	743,232	
Undivided Earnings	13,106,089	
Unrealized Gain (Loss)	(259,478)	
TOTAL EQUITY		13,589,843
TOTAL LIABILITIES, SHARES AND EQUITY		113,884,128

FOR THE PERIOD ENDING DECEMBER 31, 2023

Income Statement

INCOME	Year to Date
Income from Loans	
Investment Income	4,133,007
Debit Card Interchange Income	932,214
Elan Interchange Income	256,371
Other Fee Income	92,640
Misc. Operating Income	166,525
TOTAL INCOME	<u>120,697</u>
	<u>5,701,453</u>
DIVIDENDS & INTEREST EXPENSE	
Dividend Expense	
Interest Expense	(1,633,049)
TOTAL DIVIDENDS & INTEREST EXPENSE	<u>0</u>
	<u>(1,633,049)</u>
MARGIN	<u>4,068,404</u>
OPERATING EXPENSES	
Compensation	(1,813,727)
Employee Benefits	(455,393)
Travel and Conference	(41,933)
Office Occupancy	(229,393)
Office Operations	(242,373)
Marketing Expense	(128,868)
Loan Servicing	(164,004)
Professional & Outside Services	(559,868)
Provision for Credit Losses	(54,163)
NCUSIF and NCUA Supervisory Expense	(17,805)
Cash Over and Short	712
Other Operating Expenses	(53,964)
TOTAL OPERATING EXPENSES	<u>(3,760,780)</u>
NET OPERATING INCOME	<u>307,624</u>
Gain (Loss) on Investments	0
Gain (Loss) On Disposition of Assets	9,320
Non-Operating Income	0
Other Temporary Impairment	0
TOTAL NON OPERATING INCOME/EXPENSE	<u>9,320</u>
NET INCOME	<u>316,944</u>

COMMUNITY EVENTS

2023



COMMUNITY SPONSORSHIPS 2023



Our Core Values

Community Engagement



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Reliability



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Financial Empowerment



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Compassion



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Unity



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Thank You

Board of Directors

Tom Ellis- Chairman
Jack Shellard- Vice Chairman
Dan Abatto- Secretary
Brian Keegan- Treasurer
Elizabeth Kindlon- Director
Ellin Luft- Director
Eugene Reyes- Director
Brian Jones- Associate
Director
Matt Schunck- Associate
Director

Executive Management

Terry Langlois- President/ Chief Executive Officer
Anthony LaPointe- Chief Finance Officer
Deana Harrington- Chief Operating Officer
Toni Lynn- Chief Experience Officer



CommunityResource
Federal Credit Union