



2019 Photo Credit to S. Moore

20 A YEAR IN REVIEW 19

ANNUAL REPORT

 **SOUTHERN
CHAUTAUQUA**
FEDERAL CREDIT UNION
(716) 665-7000 | www.665-7000.com



State of the Union-President's Report

Welcome to the Twenty-First Annual meeting of the Southern Chautauqua Federal Credit Union. The Credit Union was initially chartered in December of 1953. I take this opportunity to report to you, our members, on the State of the Credit Union. Membership is almost 16,000. Assets have continued to grow and are now over \$89 million. The Board of Directors meet monthly to support our great management team and staff. They continue to provide our members with the best possible financial products and services in the area. Southern Chautauqua continues to go way beyond the normal expectations of a financial institution. Here are some highlights of our services:

- The VITA program to prepare income taxes free of charge to eligible County residents continues to expand. Over 1,000 residents were given help in filing their federal income taxes. Forty-three of our staff volunteered to be trained according to the IRS requirements. The staff did their volunteer work on Credit Union time. This is a great community service.
- The Credit Union donated over \$21,000.00 to 100 local charities, community projects and school organizations in the past year. Our management and staff donated many hours of volunteer work to several local charities and community projects last year.
- Our CU employees worked all year to raise donations for our CU Scholarship Fund. The Fund provided Nine - \$700.00 scholarships to graduating seniors who are CU members from local schools. Our staff pays into the Scholarship Fund during special event days. Candy bars are also sold at the teller windows for the Fund. The Kids' Credit Union continues to get children in the elementary grades to start learning about the value of saving money and receiving an education in early financial planning.
- The CU also participates in local high schools, teaching students about finances.

Employees & Length of Service

Leslie O	2 year(s)
Edith P	2 year(s)
Candace P	8 year(s)
Melissa R	<i>New Employee</i>
Anne R	11 year(s)
Helen R	<i>New Employee</i>
Courtney R	4 year(s)
Joseline R	1 year(s)
David S	15 year(s)
Mackenzie S	3 year(s)
Rachel S	2 year(s)
Elia S	2 year(s)
Danalee S	<i>New Employee</i>
Lindsey S	1 year(s)
Michael S	<i>New Employee</i>
Rylea W	<i>New Employee</i>
Michelle W	11 year(s)
Debra W	24 year(s)
Jenna Y	5 year(s)



Employees & Length of Service

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Candy A	<i>New Employee</i>
Amy Be.	5 year(s)
Alisha B	<i>New Employee</i>
Amy Br.	11 year(s)
Molly B	10 year(s)
Leanna B	<i>New Employee</i>
Teena C	6 year(s)
Christine C	6 year(s)
Madison C	5 year(s)
Victoria D	<i>New Employee</i>
De An D	14 year(s)
Lacey E	5 year(s)
John F	33 year(s)
Dana G	7 year(s)
Sarah G	1 year(s)
Krista G	2 year(s)
Melissa G	9 year(s)
Amber YG	8 year(s)
Amber RG	10 year(s)
Lindsay Ha.	4 year(s)
Sierra H	2 year(s)
Lindsay Hu.	5 year(s)
Rebecca H	11 year(s)
Katlyn J	<i>New Employee</i>
Melissa J	5 year(s)
Jennifer J	9 year(s)
Heather K	14 year(s)
Bobbie Jo K	<i>New Employee</i>
Kimberly M	16 year(s)
Alexandra M	5 year(s)
Shaa M	6 year(s)
Ryan N	<i>New Employee</i>
Steven O	4 year(s)

- The CU is now in its sixth year of a used car loan program using GPS tracking. For Individuals that may not meet our traditional loan underwriting standards, this is a great alternative solution. By placing a GPS unit in their car, a borrower can get qualified for a loan. There are currently 477 GPS loans outstanding with almost \$3 million in the loan portfolio. This is a viable service that no other financial institution in the area provides. Just like all our loans, we manage the portfolio to ensure the profitability of this product.

These are just a few of the community services and financial educational opportunities offered by your Credit Union. We are second to none in all of Chautauqua County in the way that we support our local community.

Now a few financial highlights about your Credit Union:

- Our loans showed a growth rate of 13.49% and we are in the top ten for our asset size.
- Our deposits are up by 6.97%
- Our loan to share ratio is over 97%
- Our assets of almost \$90 million are up by 8.14%
- Our Return on Assets is a healthy 1.55%, putting us in the top ten CU's in our asset size
- The Credit Union has an extensive online suite including Mobimoney. Great for security on your debit card.

Southern Chautauqua Federal Credit Union looks forward to serving our Chautauqua County community in the year to come. We are preparing for another great leap forward with plans to open a new branch in Dunkirk. Stay Tuned. I wish you all a happy, healthy and financially secure 2020.

Our Goals: Growth ~ Commitment ~ Success ~ Integrity

Boost, Believe In, Build and Support your Community!

That's what we do!

Mel Feather,
President of Southern Chautauqua FCU Board of Directors

A Message from John

I have said several times that I'll never be able to retire, think about it, how awkward for me to retire before my Mom. I guess I never really thought of life once Mom retired, without her oversight, her wisdom and.... well HER. Since 1966!!!! she has been the Credit Union. She built the foundation and set the culture, she never lost sight of her vision. She's quick to say that it wasn't just her, the efforts of so many volunteers, board members, other employees, and most importantly the countless members who believed in her, helped create our Credit Union.

Here we are today, without her physically in the building, but to say she isn't here would be foolish. She ingrained in each of us the foundations of success. She is greatly missed, but her teachings are not forgotten.

2019 was a record-breaking year for our organization. Not only measured by our financials, but by our impact to our members and community. Mel has pointed out several examples of commitment to our Community. One award I am particularly proud of came from The United Way of Southern Chautauqua County. We were recognized as a Campaign Champion in the financial services sector.

With the strong support of our members and Board of Directors we find ourselves in a position to expand into the North County. Based on the success of our Jamestown/Falconer branch (2016) as well as the success of our Brocton branch (2014), we know it's time to build again. We are purchasing a parcel on Bennett Road, in the town of Dunkirk, at the intersection of Williams Avenue, about a mile past the entrance of the New York State Thruway on the left as you are traveling north. We hope to open in the spring of 2021. The branch will be similar to our Lakewood and Jamestown locations and improve our footprint in our county. OK, the branch will be a bit larger, as we constantly outgrow the space we have.

Impact to our members - on any given week we save our members thousands of dollars. We have a strong, well trained staff of lending experts who look for opportunities to reorganize a member's debt, lower their interest rate and offer additional protections.

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Finances - We continue to lead the pack of credit unions of similar size across the United States. Our performance is public information and can be found at www.NCUA.gov. Our charter number is 9107—take a look!

The Board cares about our staff. They recognize that an organization is only as good as the staff that works there. We have experienced extremely low turnover of staff, especially in key positions. The Board believes that every position at the Credit Union deserves a living wage, affordable health insurance and a robust retirement package.

I am blessed to say that working here is a pleasure and I feel blessed to be part of Southern Chautauqua Federal Credit Union.



BOARD OF DIRECTORSMelvin Feather.....*President*William Caldwell.....*Vice President*Rodney Beckerink.....*Treasurer*James Casini..... *Secretary*

Jared Chrispell

Timothy Smeal

Ted Kapuscinski

Taras Korol

Shawn Howard

Christine Fosberg..... *Associate Board Member***SUPERVISORY COMMITTEE**Timothy Smeal..... *Chairperson*

Roberta Schruise

Geraldine Felton

Statement of Financial Condition		
		as of 12/31/2019
ASSETS		
Consumer Loans	\$ 73,412,015.02	
Real Estate Loans	\$ 5,813,900.34	
Total Loans		\$79,225,915.36
(Less Allowance for Loan Losses)	\$ (1,116,706.98)	
Cash	\$ 3,403,947.29	
Investments	\$ 1,991,000.00	
Other Assets	\$ 6,471,766.19	
TOTAL ASSETS		\$89,975,921.86
LIABILITIES & EQUITY		
Total Liabilities		\$365,846.81
Member Deposits	\$ 78,613,763.77	
Non-Member Deposits	\$ 2,735,679.64	
Total Deposits		\$81,349,443.41
Regular Reserve	\$ 445,708.39	
Undivided Earnings	\$ 7,814,923.25	
Total Reserves		\$8,260,631.64
TOTAL LIABILITIES & EQUITY		\$89,975,921.86

Income Statement		
		as of 12/31/2019
OPERATING INCOME		
Income from Loans	\$5,101,387.61	
Income from Investments	\$173,077.85	
Income from Miscellaneous	\$2,149,023.60	
TOTAL OPERATING INCOME	\$7,423,489.06	
OPERATING EXPENSES		
Operating Expenses	\$4,631,708.55	
Dividend Expenses	\$665,075.59	
Non-Operating Expenses	\$806,420.85	
TOTAL OPERATING EXPENSES	\$6,103,204.99	
TOTAL NET INCOME	\$1,320,284.07	



School Branches

Our goal is simple: To partner with county school districts to assist students in becoming financially productive adults.

Since 2004, SCFCU's Kids' Credit Union (KCU) program has evolved from a basic savings plan to a financial education program that teaches elementary through high school students how to be responsible savers, spenders and planners. The dual components of the KCU, financial education combined with a certificate-based savings plan, teach children the value of saving money while rewarding them for their efforts. The unique structure of the KCU savings plan allows participants to see exactly how their money will grow until their graduation from high school.

Students who choose to become KCU members are given a schedule to follow the growth of their money. Those who join by second grade will graduate with \$10,000 if they continue through the 10-year process! The KCU currently has 1,317 Share 18s totaling \$653,906, with an additional \$987,900 in CDs, for total deposits of \$1,641,806! SCFCU also provided 403 financial education presentations to over 2,000 elementary and middle school students in 9 school districts throughout Chautauqua County.

As an extension of our award-winning KCU, SCFCU operates 3 high school-based branches in Chautauqua County. These branches operate at no cost to the participating schools: Jamestown, Southwestern and Frewsburg High School. In addition to providing financial education, SCFCU offers products and services designed specifically for high school students, including a co-branded debit card with the corresponding school's logo. Our program uses a Teach, Test, Try concept that requires students to learn the basics of each product level before they are eligible to participate. The process begins in ninth grade with each grade level's financial education building throughout a student's high school career.

Kids' Credit Union

In addition to providing banking services and scholarships to students, SCFCU offers student internships at our school-based branches. These internships are designed to teach specific job skills that enhance students' employability. After completing an application and interview process, interns learn about the many different aspects of banking, including processing transactions, providing members with great customer service, and marketing their branch to fellow students and staff. As part of the Empire State Poverty Reduction Initiative (ESPRI) grant, interns at JHS are being paid for up to 12 weeks through a work agreement SCFCU signed with Chautauqua Works. We currently have 20 interns (4 bi-lingual) working among our 3 branches; and, in 2019, we welcomed one of our first graduating interns to the SCFCU staff as a regular employee!

In recognition of SCFCU's commitment to youth financial education, the Business Teachers Association of New York State (BTANYS) awarded our CEO, John Felton, the Hobart H. Conover Friend of Business Education Award for 2018-2019. This award recognizes an individual or organization outside the field of business education for their meritorious contribution to the improvement, promotion, development, and progress of business education. John was commended for his "enthusiasm, dedication, and tireless support in motivating business education students"!



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