



SOUTHERN
CHAUTAUQUA
FEDERAL CREDIT UNION

2015 Annual Report

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Aerial photo Jamestown
Branch under construction



Growth

Success

Commitment

President's Report, Mel Feather

Welcome to the Seventeenth Annual Meeting of Southern Chautauqua Federal Credit Union and the Sixty-second year of our operations since our inception in 1954. I take this opportunity to report to you, our members, on the State of the Credit Union. The year of 2015 was a very good year for our Credit Union. We continue to grow in membership and assets. The Board of Directors continues to support our great management and staff in providing the best possible products and services for the benefit of our members. How do we do that? Following are some examples:

The VITA program has expanded again with more trained employees preparing income taxes free of charge to Chautauqua County residents. 603 returns were filed by 28 staff with the Credit Union volunteering 2,040 man hours to VITA. Over \$346,000 was returned to filers with Credit Union VITA trained staff help. Congrats!

The Credit Union donated over \$8,350 to 79 local charities, community projects, schools and organizations in 2015.

The CU employees work hard to raise donations for our Scholarship Fund. The Fund provided seven \$500 scholarships to graduating seniors from local schools. *Purchase a candy bar from any teller to help out; Thanks!*

The staff volunteered over 1,050 hours of work to local charities, community projects and organizations. Thanks!

Staff collaborated with the Family Learning Zone at the Gateway Center and with Greenpath to provide county residents with financial education-- skills such as check writing, balancing a ledger and the benefits of establishing good credit.

The Kids' Credit Union for children from 2nd-12th grade continues to grow with about 1,600 students from 8 school districts receiving KCU lessons each month. It is never too early to start financial education and to learn the benefits of saving.

In 2015, the Credit Union introduced two new innovative products, Wheels2Work and a GPS Loan Program. The GPS program helped 177 members purchase a car so they could get to work.

The Credit Union continues to give back \$73,000 per \$10 million in assets to the members, more than all of the other local credit unions. Our dividend and loan rates, along with reasonable fees make SCFCU the best place to do your banking.

The new Brocton branch has grown steadily during 2015 by providing convenient financial services in a community that would otherwise be without.

In an effort to keep SCFCU strong and healthy, certain ratios measure progress. The Loan to Share ratio is 84% and the capital ratio is 11%. SCFCU exceeds the competition by quite a margin in these critical indicators.

The Credit Union contracts with an independent auditor for quarterly reviews. The quarterly audits and the dedication of the budget and compliance staff, have helped SCFCU complete the annual NCUA examination with flying colors.

Last, but not least, management and staff have been working on a huge project near our JCC branch. Construction on the new branch at 1283 E. 2nd St. is right on schedule with an anticipated opening date in April and a grand opening in June. We're excited!

Southern Chautauqua Federal Credit Union looks forward to serving the Chautauqua County Community in the year to come. I wish you all a happy, healthy and financially secure 2016.

-Mel Feather, President
SCFCU Board of Directors

Supervisory Committee Report

Frank Pidgeon, CFE has completed the Supervisory required quarterly audit as of September 30, 2015 and no major deficiencies were found.

A Message From CEO, John Felton

For the past 50 years, the growth of Southern Chautauqua FCU has been driven by someone near and dear to my heart, my mother, Jerry. Two of the many reasons why my parents, Jerry and Jack decided to become involved with the credit union were that the opportunity allowed my mom to be a stay at home mother with a modest salary of \$5.00 per week and they recognized a real need in the area. Many young teachers, like themselves, were recent college graduates who wanted to make Chautauqua County their new home. A lack of established credit and college debt made relocation difficult, but with the help of the Credit Union, possible. The idea of being a resource to the community was and still is at the core of the Credit Union values.

We have been blessed with years of success, not only in our size, but more importantly, in our mission. We have helped thousands of families build, maintain and enhance their standard of living. We believe that our success is tied to the success of our members. We celebrate the victories of our members and share in the pain when they struggle. We will never allow failure to overshadow possibilities. We hold ourselves accountable to our members and examine failures by looking deeply into the file to understand the cause. Although we would like to say yes to every loan request, we will not grant a loan to someone who lacks the ability to repay that loan; it would be like throwing a cement block into the arms of a drowning man. Most of the losses stem from life events that are outside our ability to control or predict, but we are continuously refining our products and decisions to build member success.

Southern Chautauqua FCU has become one of the largest credit unions in Western New York because of our strong commitment to our members and their success. We understand that the continued achievements of the organization are based on a strong foundation of members' success. Our membership is from all walks of life and financial circumstances; we are devoted to offering the products and services that best meet their needs. We have stayed true to the purpose that my parents believed in 50 years ago and we are successful because we haven't forgotten that being a resource to people is a core value. The word commitment may not be robust enough to describe our current and past Board of Directors. The staff are uplifted by the faith, appreciation and support of the Board and strive to live up to the standards and expectations set by the Board of Directors. The staff is dedicated to the mission of the Credit Union and share the joy that they feel when witnessing member victories first hand. Southern Chautauqua Federal Credit Union would not have grown without the dedication of hardworking and understanding staff people who share in the commitment to make Chautauqua County a wonderful place to live, work, worship, attend school and do business.

Financials and Treasurer's Report

Statement of Financial Condition

as of 12/31/2015

ASSETS

Consumer Loans	\$	45,891,440.41	
Real Estate Loans	\$	4,532,558.04	
Total Loans			\$ 50,423,998.45
(Less Allowance for Loan Losses)	\$	(404,684.39)	
Cash	\$	4,136,500.09	
Investments	\$	9,961,230.00	
Other Assets	\$	3,939,019.92	
TOTAL ASSETS	\$	68,056,064.07	

LIABILITIES & EQUITY

Total Liabilities			\$ 9,133,731.94
Member Deposits	\$	52,935,588.25	
Non-Member Deposits	\$	997,985.00	
Total Deposits			\$ 53,933,573.25
Regular Reserve	\$	445,708.39	
Undivided Earnings	\$	4,543,050.49	
Total Reserves	\$	4,988,758.88	
TOTAL LIABILITIES & EQUITY	\$	68,056,064.07	

Income Statement

as of 12/31/2015

OPERATING INCOME

Income from Loans	\$	3,262,209.05
Income from Investments	\$	95,003.69
Income from Miscellaneous	\$	1,163,913.96
TOTAL OPERATING INCOME	\$	4,521,126.70

OPERATING EXPENSES

Operating Expenses	\$	3,103,822.67
Dividend Expenses	\$	420,254.42
Non-Operating Expenses	\$	524,765.88
TOTAL OPERATING EXPENSES	\$	4,048,842.97

TOTAL NET INCOME	\$	472,283.73
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Your SCFCU Staff

Jerry, Investment Spec.	50 Y.O.S.
John, CEO	29 Y.O.S.
Debbie, Sr. Loan Officer	21 Y.O.S.
Kim, Branch Coord.	12 Y.O.S.
David, CLO	11 Y.O.S.
DeAn, Branch Coord.	10 Y.O.S.
Heather K, Compliance Officer	9 Y.O.S.
Megan, Loan Officer	8 Y.O.S.
Beckie, Administrative Assistant	8 Y.O.S.
Michelle, Loan Officer	7 Y.O.S.
Amy B, Loan Officer	7 Y.O.S.
Anne, CFO	7 Y.O.S.
Molly, Fraud, Debit & Collections	6 Y.O.S.
Amber RG, Branch Coord.	6 Y.O.S.
Amy J, Teller Manager	6 Y.O.S.
Melissa G, Collections Manager	5 Y.O.S.
Jennifer J, Accounting Clerk/ VITA	5 Y.O.S.
Laura, Marketing Coord.	5 Y.O.S.
Teena, Head Teller	4 Y.O.S.
Amber YG, Member Service Rep	4 Y.O.S.
Candace W, Community Dev. Dir.	4 Y.O.S.
Dana, Branch Coord.	3 Y.O.S.
Carla, Teller	2 Y.O.S.
Melissa P, Member Serv. Rep	2 Y.O.S.
Christine, Member Serv. Rep	2 Y.O.S.
Lindsey B, Member Serv. Rep	2 Y.O.S.
Candace M, Teller	2 Y.O.S.
Shaa, System Admin.	2 Y.O.S.
Amy B, Member Serv. Rep	2 Y.O.S.
Charlene, KCU Coord.	1 Y.O.S.
Janell, Acct. Clerk	1 Y.O.S.
Jenna, Teller	1 Y.O.S.
Jenny, Member Serv. Rep	1 Y.O.S.
Alex, Member Serv. Rep	1 Y.O.S.
Lacy, Member Serv. Rep	1 Y.O.S.
Lacey, Teller	1 Y.O.S.
Lindsay H, Compliance	1 Y.O.S.
Madison, Teller	1 Y.O.S.
Melissa J, Teller	1 Y.O.S.
Lindsay S, Teller	New Hire
Courtney, Teller	New Hire
Heather S, Teller	New Hire
Steven, Member Serv. Rep	New Hire
Emily, Teller	New Hire
Mercedes, Teller	New Hire

Y.O.S.: Years of service

Our Board of Directors:

Mel Feather, President
 Bill Caldwell, Vice President
 Rod Beckerink, Treasurer
 Jim Casini, Secretary
 Taras Korol
 Jared Chrispell
 Shawn Howard
 Ted Kapuscinski
 Bruce Hendricks, Supervisory Chairperson
 Roberta Schruise, Supervisory Committee
 Beryl Emley, Supervisory Committee



The Kids' Credit Union has grown steadily since its inception in 2004. Currently, KCU is in 8 school districts. There are 935 KCU members with deposits in excess of \$388,000.

The program is now offered to grades 2-6 and expanding to include 7th grade.

Some notable achievements in 2015 include an Honorable Mention for the Desjardins Youth Education Award from the New York Credit Union Association.

Southern Chautauqua FCU received support from the National Credit Union Foundation (NCUF) through a \$3,500 Biz Kid\$ Financial Education grant, which enabled us to expand our current school based program to middle schools, high schools and libraries throughout Chautauqua County.

Biz Kid\$ Financial Education Grants are provided through the NCUF to fund innovative programs that improve the financial education of youth through the use of the Biz Kid\$ program. Projects engage teachers, students and education leaders through events, activities, and/or curriculum distribution.



Branch Locations:

Lakewood Jamestown Brocton Clymer CherryCreek Westfield JCC

www.665-7000.com

Phone:665.7000