



SOUTHERN CHAUTAUQUA

FEDERAL CREDIT UNION

2021 Annual Report



9 LOCATIONS

LAKEWOOD

168 E. Fairmount Ave.

JAMESTOWN

1283 E. 2nd Street

DUNKIRK

3877 Vineyard Drive

CHERRY CREEK

6834 Main Street

BROCTON

13 W. Main Street

CLYMER

562 Clymer-Sherman Road

SCHOOL BASED BRANCHES

(Student & Staff Only)

SWCS | FREWSBURG | JHS



2021 Annual Meeting Minutes

22nd Annual Meeting on February 9, 2021

- I. CALL TO ORDER – Melvin Feather called the 22nd Annual meeting of Southern Chautauqua FCU to order at 4:54. Mel thanked everyone for attending.
- II. MEETING MINUTES - Mel asked for a motion to dispense with the reading of last year's minutes. Motion was made by Jared, seconded by Tim, and carried.
- III. INTRODUCTIONS
 - A. Introduction of Supervisory Committee: Tim Smeal-Chair, Roberta Schruise, Jerry Felton
 - B. Introduction of Board of Directors: Mel Feather (President), Bill Caldwell (Vice-President, Rod Beckerink (Treasurer), Jim Casini (Secretary), Shawn Howard, Ted Kapuscinski, Taras Korol, Jared Chrispell, and Tim Smeal. Associate Board member is Christine Fosberg.
- IV. President's Report – Mel highlighted COVID and the adverse effects it had on the Credit Union. He thanked the staff for all the great things they have done to make the Credit Union a better place over the past year. He stated that the Credit Union has over 16,000 members and reached a milestone of over \$100 million in assets this year. He continued highlighting our VITA program and the completion of 1,148 of tax returns. Special thank you to Jennifer Johnston for heading up the program. The Credit Union donated over \$6000 to charitable organizations in 2020. The Employee Scholarship fund awarded \$3,500 to 7 graduating seniors this year. This is the 7th year of our GPS loan program that allowed 539 people get to their job. Our financial highlights include: a new reporting bracket in NYS. We are compared against 321 other credit unions in New York State. We are in 6 out of 10 categories. We look forward to continuing our great service in the Chautauqua County Community with the expansion desire into Dunkirk at the old Bob Evans site. Goals: growth, commitment to members, integrity.
- V. Recognition of Staff – Mel recognized Heather and Anne for attending the meeting.
- VI. CEO's report and Financials are in the packet-John's report is included in the packet.
- VII. Nominations Committee announce Slate of Nominees: Rod Beckerink announced the following nominations:
 - A. Taras Korol
 - B. Shawn Howard
 - C. Ted Kapuscinski
- VIII. Motion to cast the Unanimous vote for the entire Slate of Nominees. Motion made by Jared, seconded by Bill, and carried.
- IX. Announcement of the newly elected Board of Directors – Mel is pleased to welcome our newly elected Board of Directors
- X. Adjourn the Meeting – motion to adjourn the meeting was made by Bill, seconded by Jared, and carried @ 5:06pm.

Respectfully submitted – Heather Kerr



A Message from Mel Feather

President

2021 State of the Credit Union – President's Report

Welcome to the 23rd 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. 2021 was certainly a year to test the medal of any financial institution. The CU leadership has been proactive, vigilant, and adaptive to react quickly to the daily changes that have taken place in the spread of Covid in our community for the second year. The overall work of the CU in covering the financial needs of our members has continued. Great praise to John Felton, CEO, and his staff in keeping calm and carrying on.

Membership is now up to 17,000. Assets have continued to grow and are now over \$119 million, an increase of \$16 million from last year. The Board of Directors meets 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 our members. 955 members were given help in filing their federal income taxes. Sixteen of our staff volunteered to be IRS trained so that they can do the filings properly. The staff did their volunteer work on Credit Union time. Total refunds were \$1,785,000 and the CU saved individuals over \$299,000 in preparer's fees. We are a leader in VITA thanks to our coordinator, Jennifer Johnston. This is a great community service.

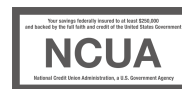
*The Credit Union donated over \$12,919.00 to over 51 charities and community projects this past year.

*Our Credit Union employees worked all year to raise money for our Credit Union Scholarship Fund. The Fund provided \$5,000.00 to 5 graduating seniors who are CU members from local schools. Our staff pays into the Scholarship Fund during special event days to help raise the funds for the scholarships.

*The CU is now in its eighth year of a car loan program using GPS. This program is for people that cannot get a loan elsewhere because of poor credit, short employment history, and/or an inability to have a co-signer. The GPS unit serves as a replacement for any of those normal loan approval criteria. There are currently 354 loans with \$2.7million in the portfolio. These loans are monitored carefully and are a viable service that no other financial institution in the area provides.

These are just a few of the community services 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:



A Message from Mel Feather

Continued

Despite Covid 19 and its' resulting restrictions:

- *Our Deposit growth is up by over 9%
- *Our Assets of over \$119million grew 13%
- *Our Loan to Share ratio is over 84%
- *Our Return on Assets is a healthy 2.08%, putting us in the top ten CU's of our asset size
- *The CU has an extensive online suite including Mobi-money, where you control your debit card. Great for security reasons. You can deposit checks through our Mobile App, pay bills with Home Banking and apply for a loan on-line.

The Greatest achievement of the year was the purchase of the former Bob Evans restaurant in Dunkirk near the entrance to the Thruway on Rt 60. Renovations took place over the summer and fall with thanks to Larson/Karle Architects and G.L. Olson Construction. We have had a soft opening with new members being added daily along with new loans. Stay tuned for our Grand Opening! Southern Chautauqua is now in Northern Chautauqua!

Southern Chautauqua Federal Credit Union looks forward to serving our Chautauqua County community in the year to come. I wish you all a happy, healthy, and financially secure 2022.

Our Goals: Growth – Commitment – Success – Integrity

Boost, Believe in, Build and Support Our Community! That's what we do!

Mel Feather, President-Board of Directors for Southern Chautauqua Federal Credit Union

BUT WAIT! THERE's MORE!

Now for a personal note. I joined the Credit Union in 1971. So, I have been a member for over 50 years. I have served on the Board of Directors since 1982. That is 40 years. I have served as President of the Board since 2000. That is 21 years. When I joined the Credit Union, it had 250 active members and assets of \$225,000. Now we are at 17,000 members and assets of \$119 million! That is quite a history of phenomenal growth.

If it were not for the tireless work of Jack and Jerry Felton and their son, John Felton, and many fine, dedicated members of the Board of Directors, I would not have hung around for



A Message from Mel Feather

Continued

so long. Thank you Feltons. Thank you, Board of Directors. Thank you, Anne, Heather, and Dave.

So, it is time to pass the torch. My best wishes for continued success in serving the people of Chautauqua County.

I leave you with these guiding principles from a guy named John Wesley. "Do all the good you can. By all the means you can. In all the ways you can. In all the places you can. At all the times you can. To all the people you can, as long as you ever can."

That is what Southern Chautauqua Federal Credit Union has been doing for our members all these years. That is what guarantees our success.

Thank you and God bless.



Employees & Length of Service

John Felton	35	Lacey Evans	7	Tara Sweeney	1
Debra Williams	26	Steven Olson	6	Kimberly Davis	1
Kimberly Margaglio	18	Edith Parker	5	Mary Jo Newman	1
David Samuelson	17	Krista Gilbert	5	Kathiria Garcia	1
De An Durnell	16	Mackenzie Schultz	5	Delmaris Erazo	< 1 year
Heather Kerr	16	Leslie Overbeck	4	Stephanie Popielarz	< 1 year
Michelle Weilacher	13	Rachel Conner	4	Tammy Parks	< 1 year
Rebecca Hultin	13	Elia Sostre	4	Bryannan Davis	< 1 year
Anne Rich	13	Sierra Hitchcock	4	Jessica Smith	< 1 year
Amy Brown	13	Rylea Walden	3	Tracy Gonzalez	< 1 year
Amber Rizzo	12	Helen Rodriguez	3	Caleb Mitchener	< 1 year
Milissa Gniewecki	11	Leanna Buck	3	Skylyn Brown	< 1 year
Jennifer Johnston	11	Ryan Najuch	3	Emily Rodriguez	< 1 year
Dana Gambino	9	Lindsey Stravato	3	Isabella Benson	< 1 year
Teena Chau	8	Joseline Rosa	3	Taylor Courtney	< 1 year
Christine Camp	8	Danalee Stanton	2	Riley Seekings	< 1 year
Shaa Moore	8	Katlyn Jewell	2	SallyAnne Rudny	< 1 year
Amy Belcher	7	Alisha Booth	2	Jennifer Nelson	< 1 year
Lindsay Hubbard	7	Bobbie Jo King	2	Chelsea Taber	< 1 year
Jenna Yuchnitz	7	Victoria Devereaux	2	Madalyn Metzer	< 1 year
Madison Congdon	7	Melissa Reding	2	Soleil Holden	< 1 year
Alexandra Matos	7				

"The greatest asset of a company is its people." - Jorge Paulo Lemann

Board of Directors & Supervisory Committee

Board of Directors

Mel Feather.....*President*, 50 years
Bill Caldwell.....*Vice President*, 23 years
Rod Beckerink.....*Treasurer*, 26 years
James Casini.....*Secretary*, 6 years
Christine Fosberg.....*Associate*, 4 years

Shawn Howard, 19 years
Jared Chrispell, 8 years
Taras Korol, 7 years
Tim Smeal, 3 years
Larry Fiorella, 1 year

Supervisory Committee

Tim Smeal, Chairman, 3 years
Robert Schruise, 18 years
Jerry Felton, 54 years
Nancy Ferguson, 1 year



A Message from John Felton

CEO

My report this year will be different than previous years. First due to the Covid 19 pandemic, but even more so due to the departure of Mel Feather.

My original assessment of the effects of the Covid pandemic were bleak. The thoughts of extreme loan losses and out of control delinquencies, never materialized. The visions of what I thought would happen to this organization were vastly different than what has transpired.

We are financially stronger than we have ever been. The support that the Federal and State governments have put in place have performed just as they were designed to. With the support of the government, we are prospering. Our balance sheet and income statements are stronger than ever before. Our footprint in Chautauqua County is better than ever with the expansion of the Dunkirk/Fredonia Branch.

However, the most important and valuable asset to SCFCU is our people. The staff have pulled together in ways I never thought possible. They have kept the organization strong and ensured our members continued to receive the same level of service that they received prior to Covid. When the going gets tough.... SCFCU staff step up! I am fortunate to be associated with this team. I thank each and every one of them. The Board of Directors. They have offered their wisdom, direction, and encouragement during very uncertain times. Never have we been faced with such situations, Covid 19 did not come with a manual, we drafted the book as we experienced it. I am certain we will be adding chapters as we move forward. The members of the Board who freely give their time and wisdom, have supported the management team and the staff through the pandemic. They set the tone of job security, time off when needed for family with a calm approach.

Our members are grateful and appreciate SCFCU. Daily I hear from the members who cannot believe what this Credit Union has become. How is it possible that you are still as personable and helpful as when you were in your Mom's basement? Is a common question I get from our long-time members.

Speaking of long-time members, Mel Feather. I do not recall a time that Mel was not part of the Credit Union. Few have given of themselves as Mel has. He understands in a very meaningful and deep way the business of this organization. He never has put profit before our members! I will miss Mel's leadership, mentorship, and friendship.

Respectfully submitted,
John Felton



A Message from Bill Caldwell

Vice President

When I joined the BOD of the Southeastern FCU, (Mel & I are the last two people left from the original Southeastern FCU) Dan Carlson was the President and Mel was the VP. We had just moved to the new Jamestown Fairmount Avenue location (which we all felt would be more than enough to meet all of our future needs) and Dan announced he was stepping down. We were all relieved that Mel would be taking the reins to continue leading us in our quest to grow. As I mentioned, this was pre-merger, pre-community credit union designation, pre-multiple branches. I don't think any of us (even John who is always thinking bigger and better), especially Mel imagined we were destined to become the finely tuned machine we have become.

Now, here we are 20+ years later and we're bidding a sad goodbye to Mel. He has been a steady guiding force, always looking at all angles and considering every possible pro & con in making decisions for the best direction for us. There will be big shoes to fill as Mel leaves, and I don't think the new President will preside over as many large decisions or projects as Mel has, nor do I think we will grow by another \$100 million under the new president, but if we do, the blueprint for that growth and how to lead the BOD in that process has been created and for that, we are all eternally grateful.

Thank you Mel for your vision & leadership, we will do our best to continue the work you have devoted so much time & energy to.

- Bill Caldwell



Board of Directors Sentiments to Mel Feather

"Thank you for your decades of service, you are truly an asset to our community. I feel privileged to have worked with you."

- Jared Chrispell

"Mel - a man who goes all in . Taking his involvement seriously and being dedicated to the Credit Union . A dry sense of humor too. Helping guide for many years."

- Taras Korol

"Mel is one the most vocal cheerleaders in support of the cause of credit unions in general and Southern Chautauqua FCU in particular. Through his leadership and the efforts of the management team and staff, SCFCU has grown into a well respected and financially sound institution which meets the growing needs of its members in the modern world."

- Rob Beckerink

"From the moment that I joined the SCFCU Board, I could tell that Mel was extremely knowledgeable and very dedicated to the Credit Union."

- Jim Casini

"I have had the pleasure of serving on the board with Mel for the last 19 years. Mel has consistently gone above and beyond what is expected from a volunteer. He has dedicated countless hours to the mission of the Credit Union as well as other organizations.

At board meetings I will miss his attention to detail. The scrutinization of every policy, down to the punctuation. The attention to detail of traffic flow in and out of every branch. The questioning of \$67,696 in perpetual capital at Alloya.

What I will miss the most is the rare occasion to share a beer and listen to stories of his countless trips to Germany, his war reunions, and his couch surfing adventures. Mel Thank You, for the example, I know I am a better board member because of it. Enjoy having Tuesdays free, you earned it."

- Shawn Howard



2021 Financial Report

Statement of Financial Condition

as of 12/31/2021	
ASSETS	
Consumer Loans	\$ 82,690,515.72
Real Estate Loans	\$ 5,499,867.87
Total Loans	\$ 88,190,383.59
(Less Allowance for Loan Losses)	\$ (1,713,972.95)
Cash	\$ 10,309,087.96
Investments	\$ 13,842,724.22
Other Assets	\$ 9,051,628.88
TOTAL ASSETS	\$ 119,679,851.70
LIABILITIES & EQUITY	
Total Liabilities	\$ 2,767,065.48
Member Deposits	\$ 100,593,382.16
Non-Member Deposits	\$ 4,239,000.00
Total Deposits	\$ 104,832,382.16
Regular Reserve	\$ 483,777.01
Undivided Earnings	\$ 11,596,627.05
Total Reserves	\$ 12,080,404.06
TOTAL LIABILITIES & EQUITY	\$ 119,679,851.70

Income Statement

as of 12/31/2021	
OPERATING INCOME	
Income from Loans	\$ 5,313,448.91
Income from Investments	\$ 147,458.33
Income from Miscellaneous	\$ 3,901,339.51
TOTAL OPERATING INCOME	\$ 9,362,246.75
OPERATING EXPENSES	
Operating Expenses	\$ 5,370,966.15
Dividend Expenses	\$ 653,656.42
Non-Operating Expenses	\$ 849,573.54
TOTAL OPERATING EXPENSES	\$ 6,874,196.11
TOTAL NET INCOME	\$ 2,488,050.64