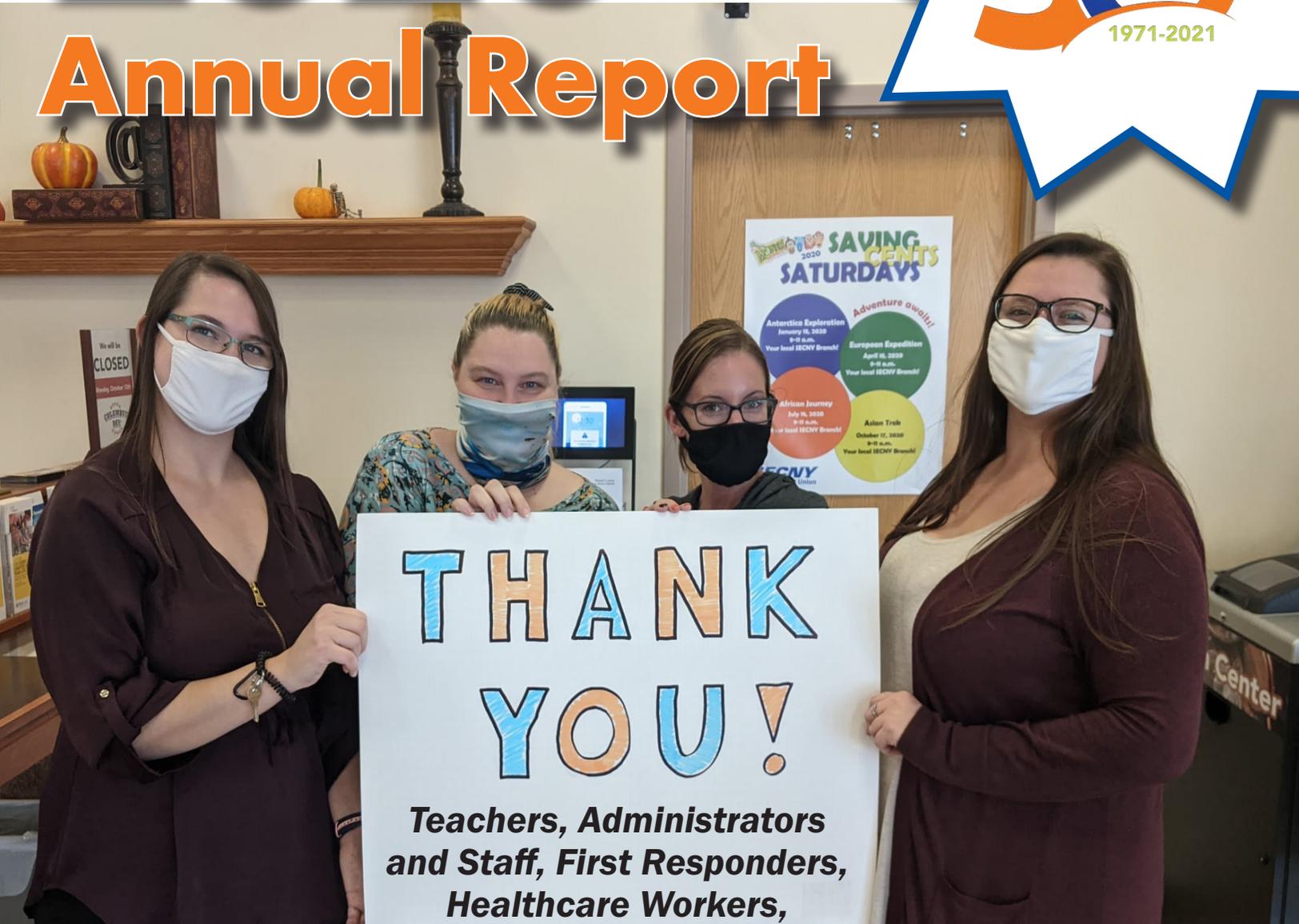


2020

Annual Report

Celebrating

50 YEARS
in CNY!
1971-2021



**Teachers, Administrators
and Staff, First Responders,
Healthcare Workers,
Grocery/Pharmacy
Workers, Agriculture,
Transportation and Delivery
Workers, Restaurant
Workers, Grandparents,
Parents, Students, all their
Families and more...**

SECNY
Federal Credit Union

A Message from the President and CEO

Walter M. Bobesky



50th ANNUAL MEETING

Wednesday, March 24, 2021
6:00pm Held virtually via Zoom

Events:

Presentation of
Scholarship Winners

Meeting Agenda

- Ascertainment of Quorum
- Minutes of 2020 Annual Mtg.
- Message from the Board President
- Message from the CEO
- Treasurer's Report
- Credit Committee Report
- Supervisory Committee Report
- Unfinished Business
- New Business
- Nominating Committee Report, Elections
- Appointment of Vacancy, Board of Directors
- Adjournment

This year marks our 50th anniversary. Chartered in May of 1971 to serve our educational community, we have grown to be much more. We celebrate this occasion with a sense of accomplishment and pride. Today, SECNY Federal Credit Union serves all four counties of Central New York. As we enter 2021, we have never needed our credit union more than now. We continue to offer stability, responsible financial management, accountability, value and a sense of family we all deserve.

We've collaborated, created and offered financial services using technology solutions that have transformed your credit union into a national leader. But we make the difference right here in Central New York. We have established and continue to maintain a successful history of helping our members.

Demand for technology has skyrocketed in the last year. 55% of our members use our Online Banking service called Corillian. 66% of our members have a checking account, 60% of our members have our debit card and 36% of our members receive eStatements. When you elect to use our eStatement service, you receive a reminder that your statement may be viewed electronically within Online Banking. All of this is FREE for you to use. Everyday life now requires them, so we will continue to engage our members to increase usage and awareness of all of these convenient services.

New systems and payment platforms have been implemented to achieve the next level of technology. This will allow us to provide you the latest in financial service including our newest additions in 2020:

- **CIAO (Contactless Initial Account Opening)**-start the account opening process online and finish with a virtual confirmation- no trip to a branch required!
- **Zelle**- a convenient way to send to and request money from friends and family.
- **eNotices, eReceipts, expanded loan and CD history.**
- **Mobile Deposit**- deposit checks right from your phone using the SECNY mobile app!
- **ATM Anti-Skimming, Managed Services.**
- **FICS/ACS Cloud based Mortgage Services, updated phone system, upgraded internet and back up connectivity.**
- **Advancement of digital and self-service technology.**
- **Current cybersecurity systems updated and additional systems implemented.**

Today we enjoy over 87,000 surcharge-free ATM's locally and across the country. We recently added the MoneyPass network. Locally, you have all InTouch SECNY machines, Allpoint Network locations at popular shops like Wegmans, Costco, Speedway, Right Aid, Walgreens and 7 Eleven. We have reciprocal agreements with other credit unions such as Empower, Summit, Reliant, Finger Lakes, Auburn Community to name a few. To find a surcharge-free ATM near you, visit secny.org and use our ATM Locator at the top of the page.



Our credit union philosophy remains true: Not-for-profit, but for service. Don't be fooled by those advertising givebacks or entice you with dollars to go to a bank. Why? They charge more and don't provide the level of service. We give back every day. We do not claim perfection, but we consistently strive to bring our members what they ask for, accompanied by the friendly service they expect.

Cybersecurity continues to be a high priority. We are continually upgrading system software and evaluating our processes to protect all credit union data. SECNY remains proactive and has added more levels of risk management.

We continue to experience the convergence of strategies that were introduced over 25 years ago. The goals and vision from our strategic plan remain the same however, technology has accelerated new features. We stay focused on our core values and sense of family. Our experienced and well-trained staff provides a superior level of personal service second to none. I thank each and every one of them for their dedication.

SECNY is federally insured and one of the safest financial institutions in the country. Our lending quality is a leader in the industry. We continue to provide advanced technological financial services with a conservative business approach.

Our staff, management, marketing and technology remain sensitive to your financial needs. We are proud to be a part of this dynamic organization, and, as always, your membership remains our highest priority. Your home is our home. We are Central New York. We thank you for your continued membership and support!

Sincerely,

A handwritten signature in black ink, appearing to read 'Walter Bobesky'.

Walter M. Bobesky
President/Chief Executive Officer

A Personal Note as We Celebrate our 50th Anniversary:

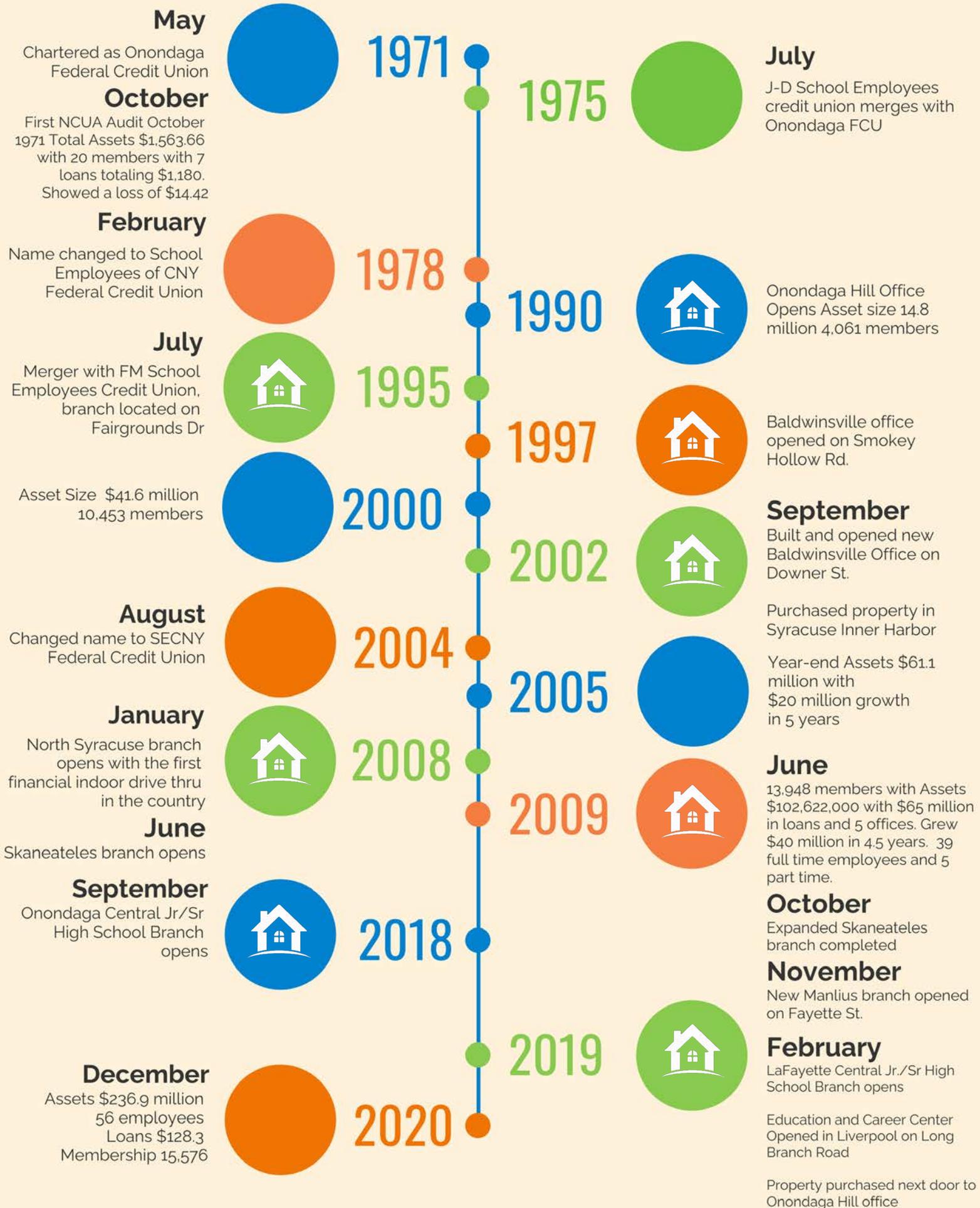
Our success is the direct result of a well-trained staff, a caring volunteer board and committee structure that allows us to provide a level of service unmatched by other competitors.

We are *the* SECNY Federal Credit Union family and I sincerely thank YOU for your membership.

The future is bright and holds firm to opportunity, prosperity and hope. In celebration of our 50th Golden Anniversary, we toast to your health, to your family and together, continued achievement.

- Walt

50 Year History



Supervisory Committee Report

An Overview of Committee Activity for 2020:

- Reviewed financial reports
- Reviewed monthly closed, dormant and paid accounts
- Reviewed non-financial changes to member accounts such as address, name, rate, credit limit and payment date changes
- Reviewed loan & CD rates
- The committee hired Firley, Moran, Freer & Eassa, CPA, P.C. to conduct the internal audit function and to perform the annual supervisory audit, ACH audit and
- BSA audit as required by the NCUA
- Conducted Member Verification as required by NCUA
- Reviewed results from most recent NCUA examination
- Reviewed internal audit results and audit work papers
- Reviewed Credit Union policies

We would like to thank the Board and credit union staff for their cooperation and dedicated service to the credit union.

Respectfully submitted,

David Fern, Chairperson

William Welch

Karl Barner

Sean Corcoran

Ivan Drazek



*What does the
Supervisory
Committee do?*

The role of SECNY
FCU's Supervisory
Committee is to perform
financial audit oversight,
on behalf of SECNY's
Board of Directors.

The primary responsibility
of the Supervisory
Committee is to
serve as a means of
checks and balances
at the Credit Union.

2020



Credit Committee Report

The credit committee approved 1,341 loans for a total of \$39,409,159.75. The committee reviews all loan requests to ensure compliance with state and federal regulations, along with adherence to credit union policies. We are pleased to report that our credit quality remains strong and our delinquency and charge off ratios continue to be lower than that of our peers.

As we all know, 2020 was an unprecedented year that presented many challenges to us all. At the credit union, we found ourselves focusing on ways to continue business remotely. The lending department worked on developing new loan products such as Relief Loans, to help our members who were impacted financially by the pandemic. We offered mortgage deferments and expanded our skip pay program to assist members who were struggling to pay bills. Fees were waived and interest rates were lowered. Our thoughts are with all of our members who have been sick or have lost a loved one, friend, neighbor, or co-worker to this terrible pandemic. Our focus remains on helping our members in any way we can to get through these challenging times.

Home tours may have been virtual and businesses may have had to shut down, but we still managed to help a number of first-time homebuyers purchase that coveted starter home. We lent money to members so they could add on that much needed home office space, remodel the kitchen, or put in a pool so being confined to home was more enjoyable.

The car buying experience was primarily online, but our new Green Loans helped members finance electric vehicles with special interest rates.

Our offices are open once again for in-person transactions and we look forward to seeing you, while keeping your health and safety and that of our employees a top priority.

Many thanks go out to the committee members, credit union officials and staff for their hard work, flexibility, and dedication. Most of all, we'd like to thank our members. We appreciate your business and look forward to serving you in the coming year as we strive to get back to the new normal. We hope you stay safe and healthy!

Respectfully submitted,
Phyllis Danks, Chairperson
Anita Pisano
David Razzante
Dr. William Silky
Deborah Glisson
Ellen Dieffenbach

What does the Credit Committee do?

The credit committee has the authority to appoint one or more loan officers, not more than one may serve on the committee.

The committee may selectively delegate its powers to a loan officer and set the limits of the delegation.

Applications or requests not approved by a loan officer must be acted upon by the credit committee.

2020

2021 Scholarship Program

SECNY FCU has established a Scholarship Fund from which five \$1000 scholarships will be awarded. The credit union recognizes student potential within our communities and commits contribution to student development through support of continuing education.

A total of **20** applications were received for the 2021 program. After review, the following five students were selected as recipients of SECNY's Scholarship Funds:

Aidan Micho

Charles W. Baker High School (Baldwinsville)

Cassandra Cappelletti

Jamesville-DeWitt High School

Dylan Price

Onondaga Central Jr./Sr. High School

Joseph Norris

Skaneateles High School

Paige Morrissey

Charles W. Baker High School (Baldwinsville)



We congratulate our students and wish them much success in their future endeavors!

Sincerely,

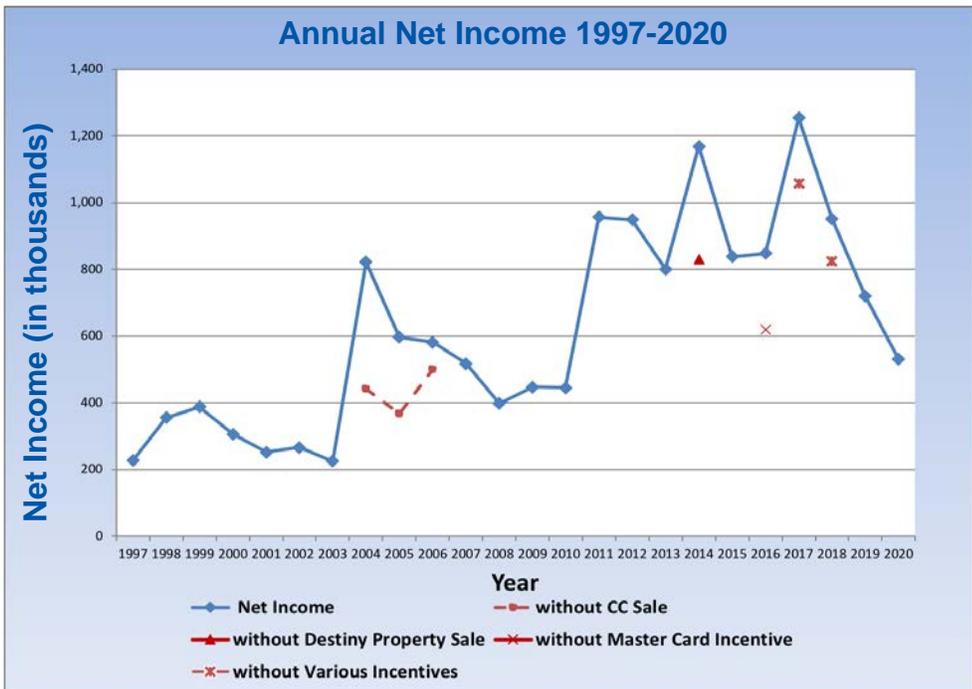
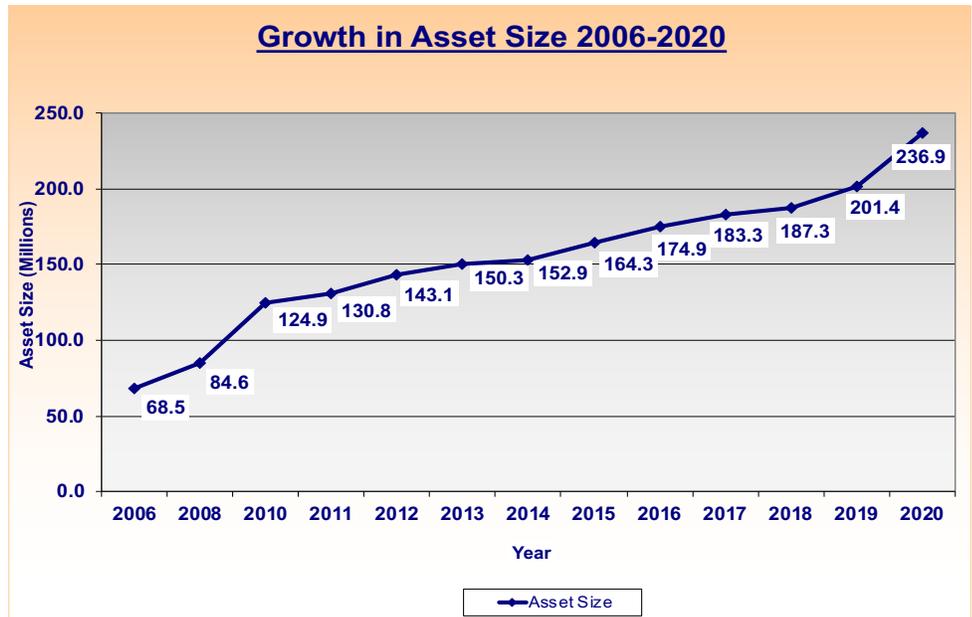
Aerik Radley

Brian Ellsworth

Courtney Fulmer

SECNY Scholarship Committee

Credit Union Overview



Statement of Condition

ASSETS	12/31/17	12/31/18	12/31/19	12/31/20
Loans(Net ALL)	115,070,848	121,748,130	126,026,303	127,773,618
Cash	14,459,929	10,625,021	19,251,269	32,259,738
Investments	49,364,081	50,276,979	51,675,970	72,624,479
Land & Building	3,599,122	3,677,952	3,554,580	3,456,418
Other Fixed Assets	147,633	102,267	133,128	131,027
Prepaid Assets	390,752	468,136	397,145	333,777
All Other Assets	304,340	355,270	365,646	358,302
TOTAL ASSETS	\$183,336,705	\$187,253,754	\$201,404,042	\$236,937,358
TOTAL LIABILITIES	2,966,961	2,770,794	2,949,022	2,357,531
TOTAL SHARES	165,354,521	168,516,408	181,769,583	217,363,972
Reserves	2,243,773	2,243,773	2,243,773	2,243,773
Other Reserves	0	0	0	0
Undivided Earnings	12,771,450	13,722,778	14,441,663	14,972,082
TOTAL LIABILITIES & EQUITY	\$183,336,705	\$187,253,754	\$201,404,042	\$236,937,358

Statement of Income & Expense

Total Operating Income	\$6,908,172	\$7,610,688	\$8,026,642	\$7,765,151
Less Total Operating Expense	5,391,791	6,134,669	6,618,306	6,704,214
Net Operating Income	1,516,382	1,476,020	1,408,336	1,060,937
Non-Operating Income	(920)	(4,187)	(25,043)	8,829
Income Before Dividends	1,515,461	1,471,832	1,383,293	1,069,766
Dividend Expenses	261,511	520,504	664,408	539,348
NET INCOME	\$1,253,950	\$951,329	\$718,885	\$530,418

Board of Directors



Joe Simmons



Anne Marie
Voutsinas



Tony Sonnacchio



Walt Bobesky



Chris Harris



State of Our Schools



The past year has brought us challenges we had not seen ever before. Challenges of constant change, increased workloads, and facing very real uncertainty head-on as teachers and school staff strived to understand the expectations that rested upon them during this pandemic. The SECNY team, however, did not falter in our support for our districts and district staff, and for that we are proud to say we continue to maintain solid relationships that grow stronger each day.

Our financial literacy offerings quickly integrated into an online learning environment, to avoid disruptions in support and service. Our Partners in Financial Literacy outreach became increasingly popular with local libraries and community organizations because of our quick action, which has led to several new relationships in some communities that are new to SECNY.

Our attention to detail, swift responses to digitization of programming, and ever-present flexibility with our creativity and outreach efforts have allowed us to finish the year relatively stable. During a time when markets could have had a negative impact on new district staff accounts, our reputation and excellence in service provided slight growth, with 13% of new accounts at the credit union being attributed to our educational partners. This is an increase of 1% over the previous year. A great feat given our challenges with this pandemic.

Our relationships with our schools continue to be strong, and we set sight on developing more of these relationships with districts in our service area who have yet to experience the many benefits of a SECNY partnership.

Sincerely,

Aerik J. Radley
Director of Education Marketing



2020

State of Our Community Partners

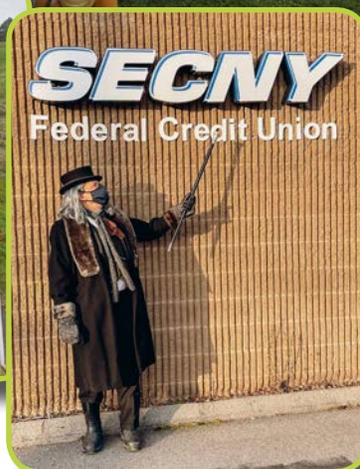
Due to the COVID-19 pandemic, we have worked diligently to develop new ways to continue building on our existing as well as create new community partnerships. We have been routinely utilizing Microsoft Teams and Zoom to communicate with all our community partners. New this year, we have implemented CIAO, a contactless initial account opening process, that allows our community partner members to open accounts online or via mobile device from the comfort of their own home or office.

Our Chamber of Commerce and community event participation continues to be strong, even though most events have gone virtual due to the pandemic. We encourage our Branch Managers to get more involved with virtual and in-person community events as they are allowed by state and federal regulations. Engagement from SECNY staff will lead to additional high quality relationships with our communities and help our credit union be top of mind. We are also in the process of creating a dedicated area within **secny.org** that will detail the benefits of being a community partner as well as our ever-popular Perks programs.

Looking to the future, our focus is on maintaining standing relationships to continue to be the credit union of choice for their employees or organization members, while building and maintaining new relationships that will assist in SECNY FCU's growth.

Sincerely,

Brian Ellsworth
Manager of Business Development



2020

NEW in 2020!

There's no denying just about every facet of life has experienced change this past year. That's why SECNY worked hard and fast to implement new services designed to fit the need for more mobile accessibility and virtual account service.

Send money with Zelle® and retire your checkbook



GET STARTED TODAY

SECNY
Federal Credit Union

zelle®

Mobile Deposit



Deposit checks right from the SECNY Mobile App anytime day or night!

CIAO- Contactless Initial Account Opening



Start your new account online at **secny.org** anytime 24 hours a day, 7 days a week!

Green Loans



Simple financing and loan advantages.

- Solar Panel Projects
- Electric Vehicles & Bicycles
- Storage and Charging Stations

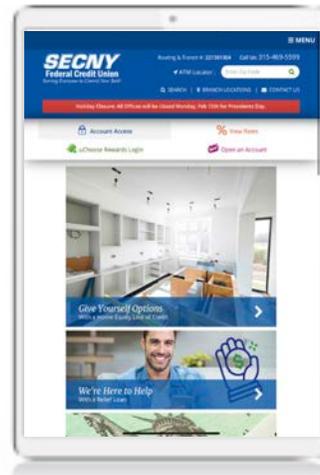
eReceipts



Members may now opt to receive electronic receipts via email for transactions done in the branch!

2020

Open all day and all night at **secny.org** and the Mobile App.



@secnycu



facebook.com/
SECNYFCU

