

FASNY Federal Credit Union

2012 Annual Report

FIRE DEPT.

CLASS 1

**DEDICATED VOLUNTEER,
meet Dedicated Credit Union**



Annual Meeting:

Date: August 21, 2013
Time: 12:30 PM
Location: The Desmond Hotel
660 Albany Shaker Rd
Albany, NY 12211

Meeting Agenda:

- 1) Ascertain a quorum is present
- 2) Call the meeting to order
- 3) Annual Report to Membership
- 4) Report of Supervisory Committee
- 5) Unfinished Business
- 6) New Business
- 7) Elections
- 8) Adjournment

The mission of the FASNY Federal Credit Union is to distinguish itself through excellence in member service while remaining financially sound for its member-owners.

Our Core Values

- **Excellence:** Achieve excellence in all aspects of delivering financial services
- **Innovation:** Cost-effectively embrace innovation to creatively meet the challenges of the changing financial environment.
- **Members:** Our focus is to provide a compassionate, yet safe and sound, approach to members' financial needs.
- **Respect:** Recognize the contribution of all through mutual respect and support for individual members, fellow co-workers and the Fire and EMS communities.
- **Integrity:** Consistently perform with a high level of integrity that demonstrates honesty, responsibility and transparency.
- **Dedication:** Run *by* volunteers *for* the volunteer emergency service.

Overview

As you know, we work diligently to provide volunteers and their family members with the best products and services that we can. Since the credit union was chartered in 2003 we have expanded and refined these offerings all with one goal in mind - to make the best use of our limited resources in an effort to make your credit union as accessible as possible while remaining financially sound. We believe that we have succeeded in this mission thus far, but will not rest on those successes. FASNY FCU will continue to grow in the coming years to meet our long-term vision of becoming well-recognized as providing the best financial services to the volunteer fire and EMS communities. We thank you for your patronage and look forward to continuing to be your financial institution of choice.

2012 in Review

Strategic Objectives

1. **Strength and Stability:** At FASNY FCU, remaining a safe and sound financial institution for you, our member-owners, is of paramount importance. As the domestic economy continued its recovery from the recession that began in the fall of 2008, we continued to see signs of improvement in the internal economics of your credit union.

As the recession gripped the nation we were not immune to the nationwide contraction of borrowing that most financial institutions faced. To combat this trend, which severely impacted our overall revenue, we maintained our strategy to keep dividend rates on your share and share certificate accounts low while making concerted and focused efforts to promote our loan products.

2. **Virtual Office Technology:** We recognize that having only one location in Albany is a barrier to serving our members financial needs in New York State and around the country. In 2012 we rededicated ourselves to informing volunteer fire service organizations and their memberships of the platforms that we have available to make banking with FASNY FCU as convenient as possible.
 - We promoted the Shared Branching Service by raffling off gas cards to qualifying members who conducted a transaction at a shared branch in the months preceding the FASNY Convention in August. Remember, Shared Branching means our members can access accounts and do business at other participating Credit Union Service Centers across the United States.
 - We positioned ourselves and made the decision to upgrade to a more robust, real-time internet banking service (STAY TUNED FOR IMPLEMENTATION IN THE SPRING OF 2013).
3. **Personalized Service:** Here at FASNY FCU we constantly look to innovate new and creative ways to appeal to our core members; the volunteer firefighters, EMS personnel and their families members who make us successful. To that end we:
 - established the Advanced EMT Certification Loan aimed specifically at those members seeking to move up in the ranks of their department's EMS service.
 - worked diligently at fostering relationships with apparatus and equipment manufacturers and retailers to establish a stream of low-interest loans to fire service organizations. These efforts are ongoing in 2013 and should position us for a well-diversified loan portfolio.

Balance Sheet & Statement of Income

Balance Sheet	12/31/2010	12/31/2011	12/31/2012	Change
Assets				
Cash & Cash Equivalents	\$ 2,981,698.00	\$ 410,984.00	\$ 372,165.00	
Investments	\$ 3,781,000.00	\$ 6,758,861.00	\$ 6,346,600.00	
Loans (Gross)	\$ 6,444,292.00	\$ 5,779,109.00	\$ 5,940,793.00	1%
Less Participation Sold	\$ (368,765.00)	\$ (303,132.00)	\$ (233,477.00)	
Less Allowance for Loss	\$ (38,105.00)	\$ (29,622.00)	\$ (34,718.00)	
Premises & Equipment (net)	\$ 22,071.00	\$ 16,446.00	\$ 14,119.00	
Other Assets	\$ 235,225.00	\$ 231,252.00	\$ 185,598.00	
Total Assets	\$ 13,057,416.00	\$ 12,863,898.00	\$ 12,591,080.00	-2%
Liabilities				
Deposits				
Checking Accounts	\$ 1,142,949.00	\$ 1,405,161.00	\$ 1,547,621.00	
Savings Accounts	\$ 4,228,151.00	\$ 4,923,837.00	\$ 5,009,972.00	
Certificates of Deposit	\$ 6,535,581.00	\$ 5,263,576.00	\$ 4,639,619.00	
All Other Savings	\$ 25,608.00	\$ 109,362.00	\$ 195,928.00	
Total Deposits	\$ 11,932,289.00	\$ 11,701,936.00	\$ 11,393,140.00	-2%
Other Liabilities	\$ 28,816.00	\$ 21,869.00	\$ 19,725.00	
Total Deposits & Liabilities	\$ 11,961,105.00	\$ 11,723,805.00	\$ 11,412,865.00	-2%
Equity				
Undivided Earnings	\$ 1,096,311.00	\$ 1,140,093.00	\$ 1,178,215.00	3%
Capital To Asset Ratio	8.39%	8.86%	9.36%	Well-Capitalized
Total Liabilities & Equity	\$ 13,057,416.00	\$ 12,863,898.00	\$ 12,591,080.00	-2%
Statement of Income				
Interest Income				
Interest on Loan	\$ 450,871.00	\$ 390,479.00	\$ 331,070.00	-17%
Interest on Investments	\$ 88,937.00	\$ 60,261.00	\$ 69,036.00	14%
Other Income				
Fee Income	\$ 24,075.00	\$ 18,470.00	\$ 22,479.00	21%
Other Operating Income	\$ 4,507.00	\$ 28,867.00	\$ 20,664.00	
Total Income	\$ 568,390.00	\$ 498,077.00	\$ 443,249.00	
Interest Expense				
Dividends Paid to Members	\$ 190,582.00	\$ 129,797.00	\$ 72,747.00	-78%
As a percent of income	34%	26%	16%	
Non-Interest Expenses				
Compensation & Benefits	\$ 145,577.00	\$ 120,698.00	\$ 115,471.00	
Travel & Conference	\$ 11,028.00	\$ 8,913.00	\$ 11,679.00	
Office Occupancy	\$ 1,440.00	\$ 1,440.00	\$ 1,440.00	
Office Operations	\$ 88,871.00	\$ 111,459.00	\$ 147,967.00	
Education & Promotion	\$ 9,684.00	\$ 5,741.00	\$ 9,204.00	
Loan Servicing	\$ 23,392.00	\$ 23,896.00	\$ 20,314.00	
Professional & Outside Services	\$ 19,112.00	\$ 12,911.00	\$ 0.00	
Provisions for Loan Loss	\$ 44,194.00	\$ 3,974.00	\$ 25,022.00	
Miscellaneous Operating Expense	\$ 63,457.00	\$ 35,466.00	\$ 1,284.00	
Total Non Interest Expense	\$ 406,755.00	\$ 324,498.00	\$ 332,381.00	2%
Total Expenses	\$ 597,337.00	\$ 454,295.00	\$ 405,128.00	
Net Income (loss)	\$ (28,947.00)	\$ 43,782.00	\$ 38,121.00	

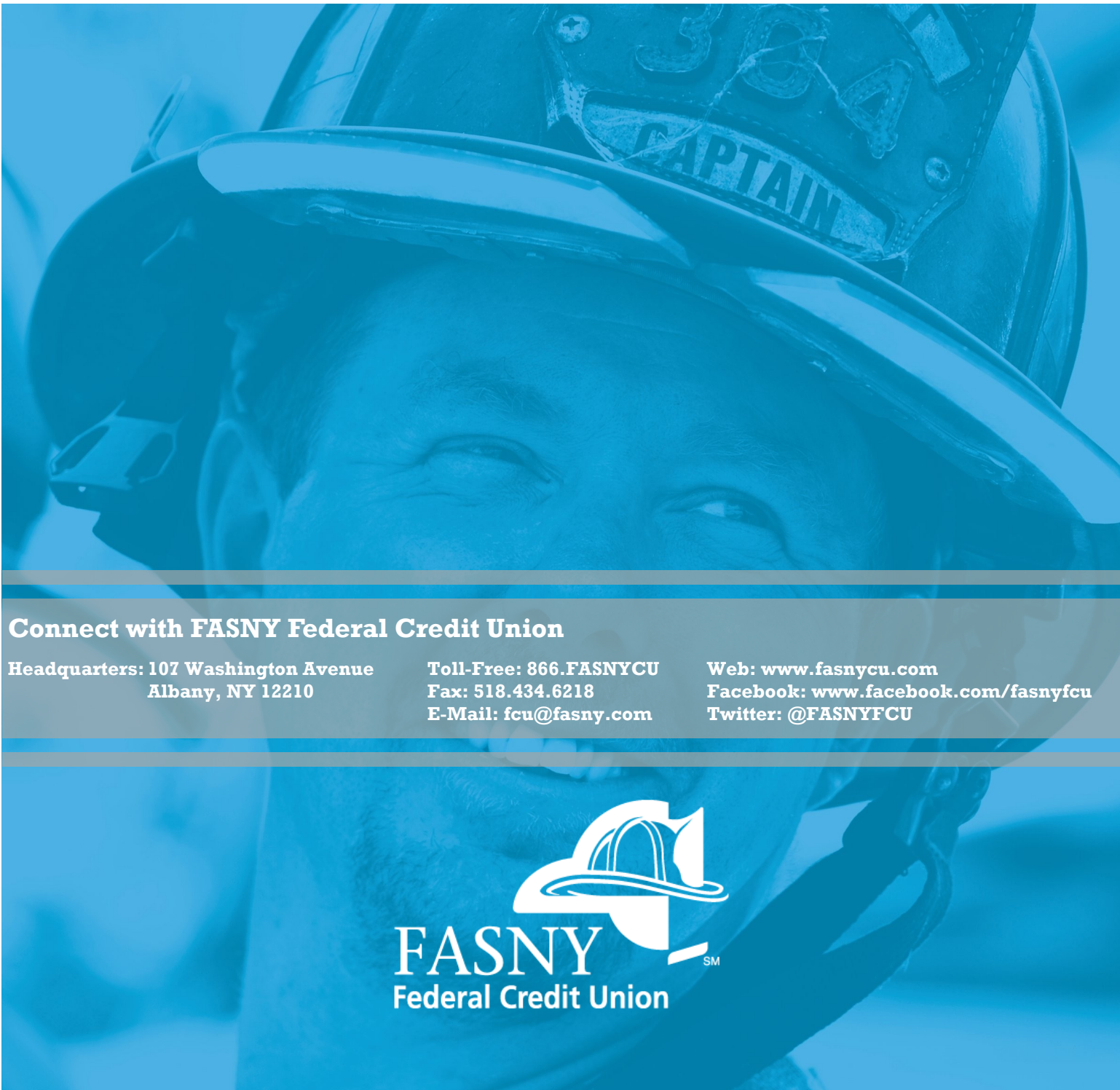
Our vision is to be a financial cooperative of excellence, well-recognized as providing the best financial services to the Fire and EMS communities.

Board of Directors, Supervisory Committee Members & Staff

<u>Board of Directors</u>	<u>Position</u>	<u>Serving Since</u>	<u>Term</u>
Joseph A Finnegan Madrid, New York	Chairman	Origination	2012—2014
Andrew E Pilecki North Tonawanda, New York	Vice Chairman	August 2005	2012—2014
Heather Schafer Millersville, Maryland	Secretary	August 2011	2011—2013
Roy K Dahlen Merrick, New York	Treasurer	August 2003	2011—2013
Edward A Carpenter, Jr. Sayville, New York	Director	Origination	2011—2013
Edward M Cooke Monticello, New York	Director	Origination	2011—2013
K William Grant Canton, New York	Director	Origination	2011—2013
Michael G Karashay Saugerties, New York	Director	August 2012	2012—2014
James H Williams Norwich, New York	Director	Origination	2012—2014

<u>Supervisory Committee</u>	<u>Position</u>	<u>Serving Since</u>	<u>Term</u>
David Chapman Chatham, New York	Chairman	2012	2012—2013
David A Quinn Castleton-on-Hudson, New York	Member	2005	2012—2013
Marilyn Farrell Athens, New York	Member	2007	2012—2013

<u>Staff</u>	<u>Position</u>	<u>Serving Since</u>
Todd B Stevens Colonie, New York	Manager & Chief Operating Officer tstevens@fasny.com	April 2007
John P Tucker Cortland, New York	Chief Financial Officer jtucker@fasny.com	Origination
Geraldine M Piccolo Schenectady, New York	Member Service Representative fcu@fasny.com	April 2005



Connect with FASNY Federal Credit Union

Headquarters: 107 Washington Avenue
Albany, NY 12210

Toll-Free: 866.FASNYCU
Fax: 518.434.6218
E-Mail: fcu@fasny.com

Web: www.fasnycu.com
Facebook: www.facebook.com/fasnycu
Twitter: @FASNYFCU



FASNY
Federal Credit Union

Thank you to our Partners

