

PARKS HERITAGE  
FEDERAL CREDIT UNION

# 20 22

ANNUAL  
REPORT



## DEAR MEMBERS OF PARKS HERITAGE FEDERAL CREDIT UNION,

I am pleased to report that 2022 was another successful year for our credit union, despite the ongoing challenges presented by the global economy. We remained committed to serving our members and advancing our mission to provide financial empowerment and security to all who entrust us with their banking needs.

Throughout the year, we continued to focus on services and products to better meet the evolving needs of our members. As a result, member satisfaction continues to trend upward, but we're not done yet! We look forward to meeting and exceeding our service standards in the year to come.

Our credit union's financial position remains strong and steadfast, even in the challenging rate environment that we experienced in 2022 and continue to experience into 2023. We ended the year with \$36 million in assets and just under 4,000 members.

I would like to express my gratitude to our members for their continued trust and support. Our success is a direct result of your loyalty and engagement, and we remain committed to serving your financial needs with the highest level of professionalism and dedication.

***Thank you for being a part of Parks Heritage Federal Credit Union.***

Sincerely,

**Christopher Patnode**

PARKS HERITAGE FEDERAL CREDIT UNION CHAIRMAN

# SUPERVISORY COMMITTEE REPORT

## THE SUPERVISORY COMMITTEE IS THE MEMBERS' REPRESENTATIVE UNDER THE FEDERAL CREDIT UNION ACT.

The committee is responsible for reviewing and evaluating the internal controls of the credit union and monitoring the performance of elected officials and staff to ensure compliance with established policies and procedures.

Our institution's bylaws and National Credit Union Administration regulations become an indispensable part of the guidance that the Supervisory Committee uses to perform its duties.

The Supervisory Committee is composed of volunteer credit union members who are appointed by the board of directors. Their tireless efforts remain an integral part of the organization's continued success.

The Supervisory Committee may consist of a minimum of three and a maximum of five volunteer members. The primary function of the committee is to conduct internal audits that ensure:

- 1 Accounting records and reports are prepared promptly and accurately reflect operations.
- 2 Established internal controls are maintained and adequately protect the credit union, its members, its leadership and its employees.
- 3 The credit union is carrying out the plans, policies and procedures for which it is responsible.

The latest Supervisory Committee Audit was performed as of December 31, 2022, by our independent auditor, Gayle Schutte, CPA. The report indicates that the credit union is being operated in compliance with applicable laws and regulations. Internal controls are in place and are being followed. The financial records and statements fairly reflect the financial condition of the credit union.



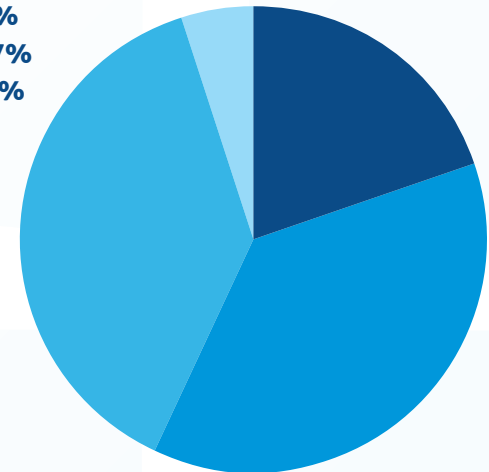
## OUR PHILOSOPHY IS TO HELP AS MANY OF OUR MEMBERS AS POSSIBLE WITH THEIR CREDIT NEEDS.

We believe in relationship lending. We have strong evidence, based on years of experience, that members pay us even when they cannot or do not pay others. While we will not ignore the fact that others may not be getting paid, we also will not solely use that as a reason to deny a loan if it is evident that the member has and will continue to pay the credit union. We use credit scores to assign rates, not to deny loans. We understand that credit scores are very volatile and can and will change quickly. It is our responsibility to counsel our members and show them how to dramatically improve their credit scores and ultimately pay us less.

We believe lending has been and still is a judgment business. We realize that bad things can happen to good people. We also understand that under enough pressure, our members can and will make mistakes. Our members deserve a chance at a fresh start. The only reason a member shall ever be turned down for a loan is when we believe the member will not pay the credit union.

## ULTIMATELY, OUR GOAL IS TO GENERATE FINANCIAL SOLUTIONS FOR ALL OUR MEMBERS. IN 2022 WE APPROVED 1,111 MEMBER LOAN REQUESTS FOR A TOTAL OF \$9,475,715. OUR LOAN PORTFOLIO IS CATEGORIZED AS FOLLOWS:

- Unsecured: **19.73%**
- Automobile: **37.47%**
- Real Estate: **37.87%**
- Other: **4.93%**



**LOAN OFFICERS:**  
**Csilla Bell**  
**Cassandra Check**  
**Lara Bradway**  
**Ashley Barry**

We recognize that lending is a risk-based business where loss is part of the process. Despite our best efforts to minimize loan loss, loan charge-offs totaled \$98,107 in 2022. Collection efforts resulted in \$33,105 of recovered losses, decreasing the net amount of loss to \$65,002. Net charge-offs for 2022 represent 0.30% of average loans for the credit union and fall below national and state averages.

# FINANCIAL STATEMENT

	2021	2022	% CHANGE
<b>WHAT WE OWN</b>			
Loans to Members	\$21,225,682	\$22,724,794	7.06%
Investments	\$9,645,989	\$8,958,486	-7.13%
Other Assets	\$5,028,436	\$5,275,753	4.92%
Total Assets	\$35,898,107	\$36,959,033	2.96%
<b>WHAT WE OWE</b>			
Member Shares	\$26,209,815	\$27,013,458	3.07%
Member Certificates	\$4,880,611	\$4,959,768	1.62%
Accounts Payable	\$42,436	\$37,678	-11.21%
<b>Total</b>	<b>\$31,132,862</b>	<b>\$32,010,904</b>	<b>2.82%</b>
<b>OUR NET WORTH</b>			
Reserve Funds	\$792,328	\$792,328	0.00%
Undivided Earnings	\$3,973,079	\$4,488,231	12.97%
<b>Total Net Worth</b>	<b>\$4,765,407</b>	<b>\$5,280,559</b>	<b>10.81%</b>

	2021	2022	% CHANGE
<b>GROSS INCOME</b>			
Interest Income	\$1,266,956	\$1,406,485	11.01%
Other Income	\$820,921	\$679,380	-17.24%
<b>TOTAL INCOME</b>	<b>\$2,087,877</b>	<b>\$2,085,865</b>	<b>-0.10%</b>
Operating Expenses	\$1,274,296	\$1,464,515	14.93%
Dividend Expenses	\$83,011	\$106,198	27.93%
<b>Net Income</b>	<b>\$730,570</b>	<b>\$515,152</b>	<b>-29.49%</b>
<b>STATISTICAL REPORT</b>			
Number of Members	3,916	3,946	0.77%
Number of New Loans	975	1,111	13.95%
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Amount of New Loans	\$9,337,876	\$9,457,715	1.28%
Total Savings	\$31,090,426	\$31,973,226	2.84%
Total Assets	\$35,898,107	\$36,959,033	2.96%
Capital/Assets Ratio	13.27%	14.29%	7.69%

## BOARD OF DIRECTORS

**Christopher Patnode**, Chair

**Michael Welch**, Vice Chair

**Douglas Girling**, Secretary

**Edward Hanchett**, Treasurer

**Cathleen Bolton**

**Ronald Quinn Jr.**

**Shandra Hays**

**Steven Vanguilder**

**Noel Harding**

## SUPERVISORY COMMITTEE

**Betty Deutschmann**, Chair

**Marygrace Joyce**

**Kimberly Butler**

**Katie Fowler**

## EXECUTIVE TEAM

**Csilla Bell**, Manager/CEO

**Cassandra Check**, Assistant Manager

## ACCOUNTING

**Sarah Munro**, Accounting Specialist

## LOAN OFFICERS

**Ashley Barry**

**Lara Bradway**

## MEMBER SERVICES

**Nathan Cameron**, Head MSR

**Chelsea Deihl**

**Lisa Lindstrand**

**Gabrielle Aycock**

## FINANCIAL SOLUTIONS SPECIALIST

**Heidi Jenkins**

# *We Care for those Who Care*

**PARKS HERITAGE  
FEDERAL CREDIT UNION**

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