



Dollars & Dreams

*A Report to the Members of
UHS Employees Federal Credit Union*

Who's Who At Your CU

Kay Murray (BGH)

*Interim Chief Executive Officer/
Vice President of Lending*

Megan Gray, CUCE (WMC)

Operations Specialist

Colleen Collins (BGH)

Loan Officer

Kimberly Pesko (WMC)

Accountant

Mac Calvasina (BGH)

Loan Clerk

Jamie Gaworecki (WMC)

*Member Services
Representative*

Jason Moses (BGH & WMC)

Teller

***You can reach any
of your Credit Union Staff
by calling 763-6565.***

Your Board of Directors

Robert Carangelo

Chairman

Daniel Spence

Vice-Chair

Diane Paradiso

Secretary

Jack Ewald

Treasurer

Brandon Azoulai

Director

James Godleski

Director

Jon LaChance, MSN, RN

Director

Anne English

Director

Toni Nash, MSN, RN

Director

Chairman's Report

I am proud to report that the UHS Employees Federal Credit Union has served our Members well through another challenging year as we move into 2017. While profitability and sustainability are fundamentally important to continuing to serve our members safely and soundly, we recognize the value of continued investment in Member tools & services, which is why Members can now apply for nearly every type of loan online, and why debit cards and CUOnlineUHS E-Statements and BillPay continued to grow throughout 2016, with more investment in these services on deck in 2017.

Our Board has continued its focus on maintaining profitability in a low-interest environment, and we were happy to see our financials continue to improve in 2016, resulting in a bottom-line annual profit for the second time in five years, all while continuing to invest in products and services to enhance the member experience. In 2017, the Board is looking forward to another positive bottom line accompanying sustainable membership and loan growth, because we understand that our continued investment in our Members, and our Member's continued investment in our services, is what will drive continued financial improvement.

Looking back at lending in 2016, we were thrilled when Members took advantage of more than \$161,000 worth of car loans during our 0.99%-2.99% car loan sale during one busy week of November, as well as nearly \$669,000 worth of additional loans that benefited from at least one of our loan promotions throughout the year, all on top of our competitive everyday loan rates and terms.

We are excited to announce the next step for CUOnlineUHS.org, an upgrade effective mid - June 2017. This change will mean a new look for our website and account access, new features, and is a continuation of our investment in CUOnlineUHS.org for all of our members. Watch for the upgrade along with our Android and Apple Apps for CUOnlineUHS!

It is our staff of both newer and seasoned veterans who continue to help us to deliver positive changes year after year, and to maintain longstanding services and standards that you know and count on. We were sad to see our Vice President of Lending, Karen Thurber, leave us in late 2016, and we thank her for the dedication she has shown to our Members for nearly 14 years. We were excited, however, to bring Kay Murray out of retirement to work with our members as the new Vice President of Lending, having over 35 years of experience in local Credit Unions. We were also excited to fill a new Member Service Representative role by promoting our very own Jamie Gaworecki, who has served our Members as a Teller at the Wilson branch for more than two years. On behalf of our Board I congratulate Jamie and Kay on their new roles and thank all of our valued staff for the powerful work they do every day for every one of our Members.

With early 2017 came another major change for the Credit Union. Jack Ewald, CEO of the Credit Union for nearly fifteen years, has moved on to a different Credit Union in Pennsylvania. The Board thanks Jack for his years of dedication and service, congratulates him on his new position as COO of PPL Gold Credit Union in Allentown, PA, and wishes him all the best as he starts this next chapter in his career. While his shoes will be difficult to fill, the Board is looking to do so in the very near future and will make an official announcement when they have completed the recruitment efforts.

In addition to great work in the office, we also want to thank Credit Union staff, directors, and Members who volunteer their time and funds in our larger community throughout the year. Our Community Outreach Committee, chaired by Toni Nash, has continued a powerful impact in 2016 and into 2017. Thank you for everything you do.

continued on page 3

Treasurer's Report

Last year's keyword was balance, celebrated for our \$50,900 improvement in our bottom line in 2016. We talked about how our Board was determined to improve our financial position in 2016 in a way that was measured, disciplined, and fair to all Members, while maintaining service levels and continuing to plan and invest in current and future projects.

Our Board did what it said it would, and we closed 2016 with a positive net income of more than \$80,000. We also grew steadily and significantly in size in 2016, and retained sufficient capital to keep us in a very strong capital position.

Look for balance and discipline to continue throughout 2017 as we continue to maintain financial strength while continuing to invest both in daily Member service levels, and in projects that maintain and improve our Credit Union's capabilities. As always, some projects will be behind the scenes, like improvement to our servers and computers designed to maintain security and efficiency for staff and Members. Others will become visible to Members as the year progresses, like our upcoming redesigned BGH brand and our CUOnlineUHS website.

Our Board's approach to how we pay certificate dividends and price our loans continues to result in extremely competitive rates for those Members most actively engaged with our Credit Union's products and services; this will continue regardless of how the national rate environment changes in 2017 and beyond. Our Board is acutely aware that Members' engagement with our products, services, and governance is the fundamental key to our ability to drive even more value back to all Members. Please consider the importance of being a Member/Owner of our Credit Union when you are considering a small loan, refinancing your mortgage, opening a checking account, planning for college, car buying, or deciding where to volunteer your time in our community. Each of these moments is not only an opportunity for our Credit Union to serve you, but also an opportunity for you to personally grow the size and strength of our Credit Union so we can serve you even better next month, next year, and for another fifty years.

Respectfully submitted,

Kay Murray

Interim Chief Executive Officer

Community Outreach Report

The Community Outreach Committee is responsible for assisting in the Credit Union's active engagement in social and civic activities that enrich the lives of our Members & the UHS community.

The Committee fulfills its charge in three ways. One is to raise funds for donation to local charitable organizations that benefit our members and community. We raise funds primarily through candy sales at Credit Union locations. The funds raised by the Committee are then used to support our community through support for efforts like the CHOW Bus' USDA summer lunch program, feeding kids in our rural areas who need a little help during the summer months. The Committee also organizes events for Members & UHS employees to donate in support of those in need such as our annual Warm in Winter Campaign and The Giving Tree. Lastly, the Committee supports our community by volunteering to support charitable efforts such as the Food Bank of the Southern Tier's Backpack Program, The Heart Walk and the Making Strides Against Breast Cancer Walk.

Getting involved is easy and fun. The Committee always welcomes and appreciates new members, and if you can't commit to being a member of the Committee, maybe you can be available just to help with specific projects.

To learn more, and to get involved, contact me at toni_nash@uhs.org.

Respectfully submitted,

Toni Nash

Committee Chair

Statement of Condition (unaudited)

Balance Sheet

	2015	2016
Loans to Members (net)	\$8,398,618	\$8,874,653
Cash & Investments	\$8,230,774	\$8,935,837
Furniture & Equipment	\$14,373	\$21,595
Other Assets	\$172,825	\$188,726
Total Assets	\$16,816,590	\$18,020,811

Accrued Dividends &

Int. Payable	\$538	\$876
Accts Payable & Other Liab.	\$135,621	\$146,326
Total Liabilities	\$136,159	\$147,203

Shares, Clubs & Share Drafts	\$12,691,150	\$14,037,832
Certificates of Deposit	\$2,538,477	\$2,304,524
Total Shares & Deposits	\$15,229,627	\$16,342,356

Reserves	\$195,189	\$195,189
Undivided Earnings	\$1,255,615	\$1,336,063
Unrealized Gains (Losses)	\$0	\$0
Total Equity	\$16,816,590	\$18,020,811

Income Statement

	2015	2016
Interest on Loans (net)	\$495,966	\$506,083
Interest on Investments	\$90,265	\$119,652
Fee & Other Revenue	\$263,510	\$283,832
Grant & Non-Operating Rev.	\$445	\$480
Total Revenue	\$850,186	\$910,047

Employee Comp & Benefits	\$457,429	\$426,483
Employee & Director Training	\$6,695	\$16,679
Office Occup. & Operations Exp.	\$226,774	\$263,052
Member Ed. & Promotion	\$14,204	\$20,759
Loan Servicing Expense	\$10,267	\$10,937
Professional & Outside Svcs.	\$13,268	\$17,712
Federal Operating Fees	\$2,844	\$3,061
Misc. Operating Expense	\$9,771	\$10,407
NCUSIF Premium Expense	\$0	\$0
NCUSIF Corp. Stabilization Expense	\$0	\$0
Total Non-Interest Expense:	\$741,252	\$769,090

Dividends paid to Members	\$55,409	\$56,454
Interest on Borrowed Money	\$11	\$54
Provision for Loan Loss	(\$24,000)	(\$4,000)
Total Paid to Members	\$55,409	\$56,454

Net Income (Loss)	\$29,514	\$80,449
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More Fun Facts

	2015	2016
Debit Card Volume by \$	\$11.6MM	\$11.8MM
Debit Card Volume by #	314,065	325,392
Member Checking Accounts	1,800	1,648
Active Debit Card Accounts	1,549	1,741
CUOnlineUHS.org eStatement users	895	960
CUOnlineUHS.org online bills paid (#)	2,707	3,292
CUOnlineUHS.org online bills paid (\$)	\$726,927	\$817,143
TruStage insurance policies	319	314



The more committed you are to your Credit Union, the more value your Credit Union can return to you. It's a circle of life that really pays!

One very clear example is, "Create Your Rate," which shows you a direct drop in your loan rates based on how involved you are with Credit Union products and services.

May 3 – June 30 this year, we're offering a **Home Improvement Loan** with a 2% rate discount on Personal Loans and Home Equity Loans! Rate may drop further with Create Your Rate discounts, loan coupons and other discounts. Final rate subject to credit score. Final rate may not drop below 0.00%.

Apply at CUOnlineUHS.org/apply, or visit a branch today to lock in your rate & celebrate the power of Credit Union Membership!

TruStage Insurance

A special partnership between your Credit Union and Liberty Mutual Insurance, TruStage auto, homeowners, & renter's insurance is now providing more than 300 policies to our Credit Union Members.

Members with TruStage homeowner's or renter's Insurance can also purchase an extra benefit that you won't want to miss! For an additional \$19.00/year, get special coverage for your computer, laptop, tablet, and smart phone, with only a \$50.00 deductible! If you have a TruStage policy already, ask Mark for details on this great option! If you don't, get a quote today!

If you still need to get your TruStage quote, call Megan today at 763-6268.

College coming up?

Are you a graduating high school senior with college on the horizon? Planning to go back to school in the near future?

From student loans to checking accounts, debit cards to transferring money, car insurance to insuring your computer, cell phone, and other valuables, car loans to furniture, there's lots to think about before heading off to school!

College can be an exciting and empowering time if you do your homework first! Now college students and parents can schedule a meeting with a Credit Union guide who can help equip you with the basic financial tools you'll need to start school strong.

Schedule a meeting today at CUOnlineUHS.org!



For Every Graduate!

Your Credit Union
has gift cards...
...available year round!



Supervisory Committee Report

Our Credit Union's Supervisory Committee consists of five Credit Union members who volunteer their time to serve the entire membership by overseeing the activities of our Board of Directors, management, and staff. The Committee works with the Board of Directors and management to ensure our Credit Union operates in a safe and prudent manner and always in the best interest of the membership while complying with all NCUA (National Credit Union Administration) rules and regulations. To this end the Committee engaged an outside public accounting firm—Firley, Moran, Freer and Eassa, CPA, P.C.—to perform various audit procedures on behalf of the Supervisory Committee in 2016. Firley, Moran, Freer and Eassa continue to bring their experience and expertise to the forefront, having a large and diverse credit union practice at their firm.

We are pleased to report that the Credit Union continues to operate safely and soundly for its members by consistently making recommended improvements to its operations and internal controls. The Committee will continue to work diligently on behalf of the membership to ensure that the Credit Union will be ready to meet all member financial needs in 2017 and beyond.

Respectfully submitted,

James Godleski

Supervisory Committee Chair

Your Supervisory Committee

Jennifer Hempstead, Secretary;
Teresa Arington,
Nancy Arneson, Maria Silvestri

Chairman's Report *continued from page 1*

We continue to serve Members system-wide, and welcome new Members from throughout the UHS system every week. While we continue to struggle with space constraints in our offices, Credit Union staff have been creative and persistent in their efforts to remind everyone who will listen that the Credit Union has Members throughout the entire UHS system and will ensure that service is available and delivered to anyone who wishes to join us from any corner of the UHS system; we have the people, the technology, and the drive to serve every Member at every UHS site. Throughout 2016 and early 2017 we visited sites ranging from DVH to Deposit, CMH to Maine, and Vestal to Lewis Rd. We are excited to also announce that in the fourth quarter of 2017 you will see a new and improved BGH office that will have a newly redesigned teller line and a fresh new look! Throughout 2017 you will continue to see your friendly Credit Union staff regularly visiting sites and shifts system-wide, and I urge you to reach out to our staff if you'd like us to visit you and your colleagues at any UHS site or shift; we'll be there.

Our Credit Union continues to be a financial institution owned and controlled by our Members, and our Board of Directors will be mindful of the important balance between our high service and fair-cost commitment to our members, and our commitment to conservative stewardship of member resources, as we continue to guide the Credit Union with discipline and enthusiasm through 2017 and beyond. We value your continued support, loyalty, and partnership as we pursue this work together.

Respectfully submitted,

Bob Carangelo

Chairman of the Board

Elect Your Board...

Annual Elections, April 24, 2017

**Doctors Auditorium, Krembs Ground Floor,
UHS Binghamton General Hospital**

Your Credit Union's Annual Meeting is Monday, April 24th. Refreshments will be served at 3:00pm, and the meeting will start at 3:15pm and end by 4:00pm. **Additionally, this year early voting for the Board of Directors will open from 11:00am until 1:30pm near the Harrison Street Café at UHS Wilson Medical Center & cafeteria at UHS Binghamton General Hospital, so if you are not able to make the meeting you can still stop in, ask questions, and place your vote early.** Three seats are up for election to our Board of Directors. All seats are three-year terms. Below are the Credit Union Members running for these seats as of press-time. Nominations from the floor will be welcomed at the Meeting. Please come elect your new Board and learn a bit more about your Credit Union.

James Godleski (re-election)

James Godleski earned a bachelor's degree in accounting from Le Moyne College in Syracuse and is licensed in New York State as a certified public accountant (CPA). Prior to joining UHS as Controller for UHS Hospitals in October 2013, James was a principal in the audit department at Fust Charles Chambers LLP in Syracuse.

James has served on the Credit Union board since 2014, and also serves on the Policy Committee, ALCO, and is the chair of the Supervisory Committee. James looks forward to being elected by the Membership in order to continue a great experience with our Credit Union team.

Diane Paradiso (re-election)

Diane began serving UHS Hospitals as a volunteer in 2007, and has worked in the Employee Health Office at UHS Wilson. Diane retired in July 2014. Diane has 25 years of experience working as a human resources benefits administrator for several Wall Street firms prior to moving to the Southern Tier. Diane has served on the Board of Directors as the Secretary of the Board for many years now, and also serves on the Executive, Policy and Marketing Committees. Diane continues to find the Credit Union to be very interesting and looks forward to continuing to offer her services to our Membership.

Anne English (election)

Anne has been employed at UHS for 15 years. Her career at UHS started at UHS Chenango Memorial Hospital (CMH) as the Coordinator of Training and Development, and then later as Human Resources Director. In 2014, Anne became the Director of Employee Relations, for UHS Hospitals and CMH, a position in which she still holds. Anne received her Bachelors in Sociology with a concentration in Criminology at SUNY Cortland and her Masters in Human Resources Employee Relations from Penn State. Anne enthusiastically looks forward to continuing to serve the UHS employees in the capacity of a UHS Employees Federal Credit Union board member.

Our Mission

We are

A Member-owned financial cooperative providing the UHS Community with convenience, value, and the power to control their own money.

Our Vision

We will be

The first choice for financial solutions at UHS.

Shopping for a loan? Your Rate is in Your Hands

The loan rates you see on a rate sheet, or on CUOnlineUHS.org, may be good, but there's more **you** can do to determine what **your** final rate will be. You can actively create your own rate by:

...Better Credit Score = Better Rate

Keep your rate low by paying bills on-time, having only a couple of credit cards, keeping balances as low as possible compared to the limits, and ensuring that you review your credit report at least once a year to monitor for accuracy.

...Receive convenient e-Statements.

Drops your loan rate an additional .25%

...Have your whole pay directly deposited.

Drops your loan rate an additional .25%

...Protect yourself with credit insurance.

Protects you in case of disability or death, and drops your rate an additional .25%

...100% of your loans with your Credit Union?

Drops your loan rate an additional .50%

...Determined to save at the pump?

If you step up to purchase a vehicle that gets combined fuel economy of 34mpg or better, per www.fueleconomy.gov, we'll help by dropping the rate by an **additional 1.00%**

...Think you can still do better elsewhere?

Ask about rate matching!

CUOnlineUHS.org/rates

to build your own rate
and apply online today!



Protect Your Identity

- Do not give out financial information.
- Report lost or stolen checks and debit/credit cards immediately.
 - Lost Credit Union Debit Card?
Call 24/7: (607) 763-6565, Opt.*
- Closely guard PIN #s & ATM receipts
- Shred financial solicitations
 - No shredder? Bring it in. We'll do it.



You can get a free copy of your credit report every year by clicking "Free Credit Report" at the bottom of our homepage, CUOnlineUHS.org.