



2019

Annual Report



Seasons
Federal Credit Union



Seasons

Federal Credit Union

Paving The Way For Tomorrow

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Your Helping Hand. Always

We're here to help.

Seasons Federal Credit Union is offering helping hand solutions for our member family.

Our members and family, are a top priority for us. We have provided financial help to natural disaster victims, people impacted by government shutdowns, and now offer help to those who are impacted by COVID-19.

LifeLine of Credit

We understand that the preventative measures enacted by local, state and federal governments, have impacted many of our members' daily routines and potentially, your income due to the coronavirus (COVID-19). Our LifeLine of Credit provides some relief and help members meet their financial obligations during these uncertain times. With a **0% introductory interest rate for 6 months** line of credit you'll have available funds for when you need them, anytime, for anything you want.

SBA Paycheck Protection Program

Seasons Federal Credit Union is committed to helping our business members through these unprecedented times. Business members may be **eligible for a loan under the Small Business Administration's (SBA) Paycheck Protection Program**. The SBA Paycheck Protection Program is providing small businesses with the resources they need to maintain their payroll, hire back employees who may have been laid off, and cover applicable overhead.

Loan Skip-A-Pay

When you just need a little extra cash in your pocket, skipping your next loan payment could be just the ticket to get you ahead. Seasons Federal Credit Union's Skip-A-Pay program **allows members to skip a monthly payment on a qualifying loan** as long as certain program qualifications are met. In response to coronavirus (COVID-19), members can skip a payment on eligible consumer loans, so you can keep up with your other financial responsibilities during this trying time.

Member Loan Payment Assistance

Our Member Solutions Team is here to support members facing financial hardship due to circumstances like the COVID-19 pandemic. We are committed to doing what we can to help members during this difficult situation. If you need help with a **repayment strategy for your current Seasons Federal Credit Union loan**, we may be able to help with short-term payment relief and loan modifications to help keep your account on track and help meet your needs.

Mortgage Forbearance Relief

If you're struggling to make your mortgage payments because of financial challenges associated with COVID-19, we'll work with you to set up a plan that fits your needs, including the option of **mortgage-payment forbearances of up to 90 days**, which will allow homeowners to reduce or delay monthly mortgage payments. . It's important that you reach out to us so we can help.

Message to Members - We're Here to Help

Each year we typically write a message to our members sharing our previous years' experience and sharing our vision for the future. This year's message is a little different and we'd first like to acknowledge current matters related to Coronavirus (COVID-19). Our Pandemic Response Team has been closely following the guidance of the Centers for Disease Control (CDC) as well as other health organizations and regulatory agencies to continually monitor the situation and help us respond properly.

We understand that many members may be facing financial hardship due to COVID-19. If you are one of them, please reach out to discuss how we might be of assistance. We have put in place many programs to help you navigate the pandemic related issues successfully.

First of all, we want to emphasize that we continue to offer all of our services without interruption. Our Seasons FCU departments continue to, provide ongoing loan processing, answering phone calls, conducting virtual teller transactions and all other services. You can submit a loan application, open an account, and access your account 24 hours a day with Online and Mobile Banking. Seasons FCU has proven that it is an efficient and modern financial institution able to function effectively in all conditions.

In connection with the COVID-19 pandemic, our Credit Union is providing assistance to members who are experiencing financial hardship. **Here are some solutions we have available:**

Mortgage forbearance relief

We introduced a 90-day mortgage forbearance program to ease the financial burden some members were experiencing. Mortgage forbearance allows you to skip your mortgage payments for up to 90 days.

SBA Paycheck Protection Program (PPP)

Seasons FCU is an approved SBA Lender and we are participating in the Payment Protection Program (PPP). While some other financial institutions have stopped accepting PPP applications, Seasons FCU continues to accept applications from current members, and we are prepared to assist small business owners located within our field of membership.

Lifeline of Credit

We also provide assistance if you're facing financial hardship due to an interruption in your income. With our Lifeline of Credit, you may qualify for a 0% interest rate for 6 months, up to \$10,000, and no payment due for 60 days.

Loan skip-a-pay

We understand that members may experience economic hardship due to employment changes and school closures. To help ease your burden we offer skip-a-pay. This program allows you to skip a payment on any qualifying loan.

Member loan payment assistance

In the event that your loan isn't eligible for our Skip-A-Pay program, don't worry. Our team will do its best to create a personalized solution to help you.

Seasons FCU takes the health of our members, staff, and community very serious so we plan to take a slow and phased approach moving forward. Precautions we are taking within branches:

- Members in a branch may be limited at any given time
- Clothface coverings will continue to be required by anyone entering our branches
- Hand sanitizer stations are available inside each branch
- Markings will indicate a six-foot distance in high traffic areas for social distancing

We are closely monitoring how the pandemic progresses and will make any adjustments to maintain everyone's health as we continue to serve our members.

If you're a member who is a first responder or someone in your family is doing this important job in our communities, we want to extend our thanks and gratitude. In times like these, we appreciate your dedication.

Take care,

Keith A. Wiemert
President/CEO

Jim Misenti
Board Chairman

Paving the Way for Tomorrow

Thanks to a busy strategic 2019, we can honestly say that a bright tomorrow belongs to your Credit Union. We did a lot of solid planning and preparation in 2019 that will result in a better experience for our members in the coming years. In fact, you have probably already enjoyed some of the benefits.

Here are a few key 2019 projects that both enhanced member experience and ensured a bright future for Seasons Federal Credit Union. Together, they paved the way for a financial institution like no other, one that is member centric, convenient, and loved.

Systems Upgrade

One of our key accomplishments was the upgrade of our computer system. The upgrade provided enhanced technology, new products, better service, and greater convenience. Our staff worked in cross-department, cross-functional teams for 18+ months to put into place new computer infrastructure for the credit union.

This complex project was the first significant upgrade to our processing systems in over 15 years. Some of the benefits of the new system include improved account access, online account opening, online loan applications and a new loan decisioning model. Our ultimate goal: to make members' banking experience better today and in the future.

In the course of the year, staff gave up weekends, worked long hours and sometimes seven days a week to ensure a seamless implementation for our members. Technical challenges were met and conquered in order to have a seamless transition with no loss of member history. The changeover itself went smoothly and we appreciate our members who were patient with us during this transition.

Improved Online and Mobile Banking

Here at Seasons Federal Credit Union, we pride ourselves on our personalized banking, but we also know that reliable, convenient and secure online and mobile

banking is a must-have in today's fast-paced, tech-savvy world. Therefore, we are proud to say that in 2019 we created an online and mobile banking experience that is even more member-friendly, allowing you to take better command of your financial future.

Our online banking got a fresh new design, with a simpler, cleaner, more user-friendly look and feel that better reflects our dedication to an improved member experience. Our mobile banking app also received many improvements. Not only can you now send money to members and friends outside of the Credit, but it also includes all in one access to mobile check deposits.

Always Member and Service Focused

Our online and mobile banking upgrades may be the newest enhancements of 2019, but they are by no means the only improvements to member products and services:

- We also converted to a new debit card processor, equipped with a real time fraud monitoring system that prevents fraudulent transactions immediately.
- We released new mobile-friendly, online membership application that makes it quick and easy to become a member of our Seasons family.
- New card controls if you misplace your debit or credit card. You can now log into online or mobile banking applications and turn off your card. If you find your card, you can go into the system and turn it back on. This gives you more control of your card and provides you with greater peace of mind if your card is lost or misplaced.

We wish to thank you for your patience and support during this past year. We will look forward to a brighter future where we can provide a better financial solution that will change your lives for the better.

Sincerely,

Keith A. Wiemert
President/CEO

Jim Misenti
Board Chairman

Systems upgrade in 2019

With your support, 2019 was an extraordinary year for Seasons Federal Credit Union—a year of modernization, transformation and innovation—all building toward a bright and successful future. In September 2019, we successfully completed the much-anticipated implementation of our systems upgrade. Placing us in the forefront of existing and emerging technologies, the upgrade has provided our credit union with many significant benefits, including increased efficiency in service, greater capacity to evolve, improved communications, and much more.

The majority of changes affect our employees and the tool they use to serve you every day. Most aspects of your membership were uninterrupted, but there are some noticeable changes and improvements

Account Information Centered Around YOU

As our member-owner, you have always been at the center of everything we do. Now, our new system puts you there too. From now on, all of your accounts will be consolidated under your name, so you don't have to remember multiple account numbers. When you visit a branch or call, we can locate any account you are connected to in a variety of ways: including by your name, member number, account number or SSN.

Online & Mobile Banking App Enhancements

We created an online and mobile banking experience that is even more member-friendly, allowing you to take better command of your financial future. For instance, our online banking and mobile banking app got a fresh new design, with a simpler, cleaner, more user-friendly look and feel that better reflects our dedication to an improved member experience.

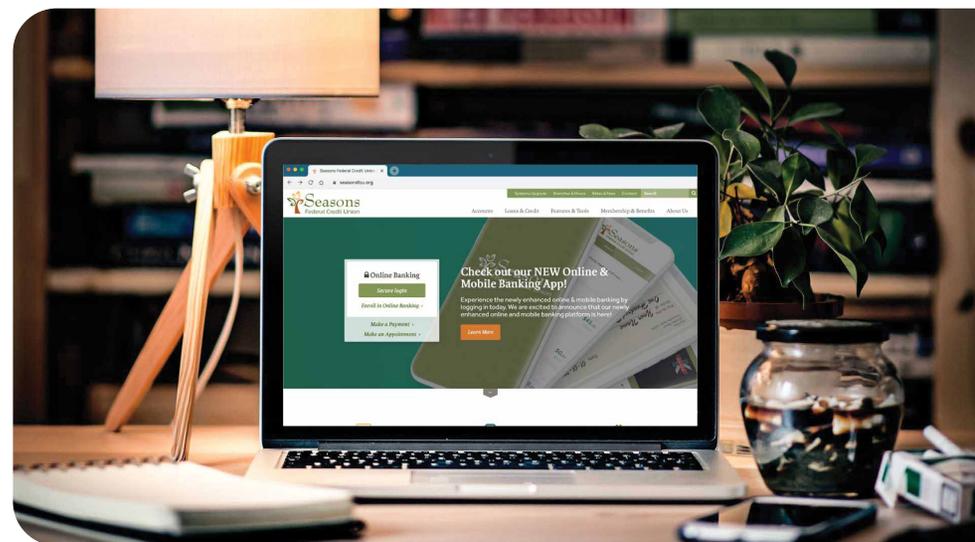
New Voiceline Telephone Banking System

With Voiceline, you can manage your finances entirely over the phone for free. This service is available 24 hours a day, in both English and Spanish, and you can perform a wide variety of transactions and receive account information by telephone wherever you choose.

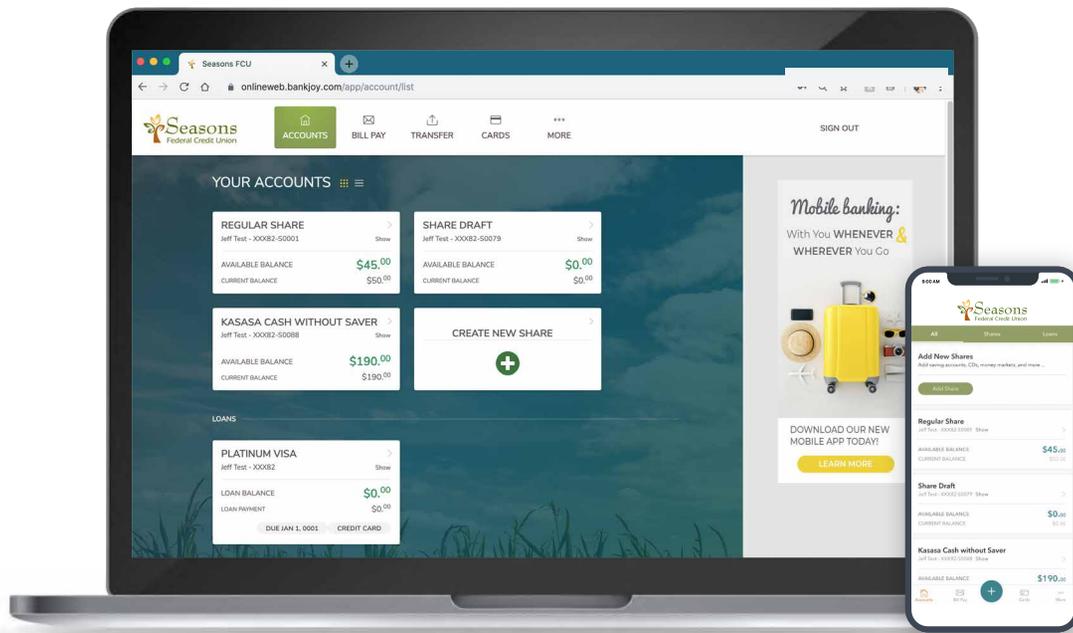
New, Easier To Read Statements

Our new paper statements and e-statements were designed using color, bold text and more spacious and modern design to highlight important information. Activity is also divided by account type to make it clear and easy to read.

Such projects are the beginning of a bigger change that will transform Seasons Federal Credit Union and bring a new face to the stable, long-standing organization that we know and trust. The foundation for this change was establishing a new aim of building and strengthening relationships with members by providing them with smart financial solutions while living our values.



Our new Online & Mobile Banking App rocks!



Our commitment to your simple and easy experience led us to completely redesign our online banking and mobile banking app. Launched in the fall of 2019, we embraced a new way to bank; for members to better handle their banking needs all in one place.

Our Online Banking offers you the ability to access your account information 24 hours a day, seven days a week for balance inquiries, transaction history, and to transfer funds safely and securely.

Get things taken care of on-the-go with Mobile Banking App. It's fast, easy and secure to check your balance, pay a friend, deposit a check or see what's happening in your account anytime, anywhere.

Our Mobile Check Deposit makes it easy to quickly and securely deposit checks using your Apple® or Android™ device. You simply snap photos of the front and back of your check and follow the on-screen instructions. With SFCU Mobile Check Deposit service, you can electronically deposit checks from anywhere, anytime!

In a world that changes as quickly as ours, our digital presence must change and adapt to your needs.

You make us better.

“ We love our new app! Visually pleasing, streamlined and smoother to navigate. ”

2019 Lending Report



We offer our members affordable financing for **vehicles, mortgages, home improvements, student loans, consolidation,** and so much more.



Helping about **18,000** members afford life!

During 2019 Seasons Federal Credit Union originated 1,142 loans, lines of credit and credit cards totaling \$16,011,666. Additionally, the Mortgage Department originated 58 mortgages totaling \$10,690,940. These mortgages were subsequently sold to the secondary market. Last year's loan production totals, detailed by product type and amount of credit extended, were as follows:

Loan Type	Number of Loans Originated	Total Credit Extended
New Auto	44	\$1,188,274
Used Auto and RV	299	\$4,654,547
New Auto - Indirect	29	\$887,326
Used Auto - Indirect	94	\$2,031,412
Closed End Second Mortgages	23	\$1,153,520
Home Equity Lines of Credit	28	\$1,545,000
Signature Loans	330	\$2,430,984
Credit Cards	200	\$498,000
Home Improvement Loans	44	\$524,835
SFCU Student Loans	19	\$226,514
Share Secured Loans	22	\$195,254
Portfolio First Mortgages	10	\$676,000
Subtotal	1142	\$16,011,666
Sold First Mortgages	58	\$10,690,940
Total	1200	\$26,702,606

\$106,018,439 Million in Loans

The loan portfolio balance as of December 31, 2019 was \$106,018,439. The yield on the credit union's loan portfolio at year-end was 5.052%.

Respectfully submitted:

Betsy Sommers
Senior Vice President

2019 Treasurer's Report

During 2019, the Federal Reserve cut interest rates three times in the second half of the year, the first time in over a decade that rates had been cut. The justification for the rate cuts, according to the Federal Reserve chairman Jerome Powell, were weak global growth, trade policy uncertainty, and below-target inflation. The credit union underwent a technology conversion across all channels in the third quarter of 2019 and continued to face financial restraints due to a strict regulatory burden, high operating expenses, and a reduction in core deposits. The credit union ended 2019 with a negative ROA of 0.267% and net loss of \$408,327. Total assets decreased by \$9,302,214 or 5.90% to \$148,437,734 for the year ended 2019. Deposit balances also decreased by \$203,704 or .2%, resulting in a year-end deposit balance of \$133,088,023. Loan growth decreased in 2019 by \$26,527,432 or 20.10% though 2019 with a year ending balance of \$105,418,804.

Seasons Federal Credit Union's regulatory capital ratio, an indicator of financial strength, was 8.01% as of December 31, 2019. The regulatory capital ratio is above the 7.00% ratio established for well capitalized credit unions set by the National Credit Union Administration (NCUA).

The financial information provided above is based upon a December year end and is consistent with the financial information posted at the branches on a monthly basis.

For 2020, we at Seasons will continue to provide even more value to our membership. We thank you for your continued support of the credit union.

Respectfully submitted,

Michele Patton
AVP of Finance



Supervisory Committee Report

The role of the Supervisory Committee is to ensure the safety and soundness of the credit union. As such the Board of Directors appoints the Supervisory Committee, which oversees the annual financial audit. As an independent body, the committee reviews practices and procedures by staff to verify that management carries out the policies set by the board. We also monitor compliance with applicable laws and government regulations. To accomplish these, we engage an independent certified public accounting firm to perform an audit that evaluates our accounting controls, financial statements and verify members' accounts. The firm Doeren Mayhew was engaged to conduct the annual audit. We are pleased to report that we have received a favorable opinion from Doeren Mayhew.

This year the credit union completed a conversion from one system to another in the fall. The Supervisory Committee monitored this process from preparation through to completion, and would like to compliment the Management Team and the employees, both for their hard work in completing this process, and in their readiness to explain and resolve any and all difficulties experienced by members due to the conversion.

The Supervisory Committee would like to thank Mike DiPiro for his service as the Supervisory Committee Chair. Mr. DiPiro has stepped down

as the Chairman of the Supervisory Committee, and we appreciate the guidance and leadership he provided.

The Supervisory Committee continually audits the various departments throughout the credit union and is pleased with the professionalism and performance of each department. Any concerns raised by members of the Supervisory Committee have been addressed in a rapid and professional manner. As Seasons continues to evolve their plans for the future in these uncertain times, we remain vigilant in ensuring that our members will have the safety of their accounts and excellent service they expect and deserve.

Respectfully submitted,

Jammie Middleton
Supervisory Committee Chairman



Consolidated Statement of Financial Condition

Assets	Dec 31,2019	Dec 31,2018
Cash and cash equivalents	20,114,992	3,913,918
Investments	7,756,080	6,371,235
Loans held for sale	776,000	-
Loans to members, net	105,418,804	131,946,236
Land and building	2,627,121	2,663,849
Other Fixed Assets	1,197,661	1,483,707
NCUA Share Insurance Capitalization Deposit	1,445,257	1,415,499
Other Assets	9,101,819	9,945,504
Total Assets	\$148,437,734	\$157,739,948
 Liabilities and Retained Earnings		
Liabilities	Dec 31,2019	Dec 31,2018
Accounts Payable and Other Liabilities	6,854,585	14,137,011
Members Shares and Savings Accounts	133,088,023	133,291,727
Total Liabilities	\$139,942,608	\$147,428,738
Retained Earnings	8,495,126	10,311,210
Total Liabilities and Retained Earnings	\$148,437,734	\$157,739,948

Consolidated Statement of Income

	Dec 31,2019	Dec 31,2018
Interest Income		
Interest on Loans	6,045,838	6,367,920
Interest on Investments	353,479	303,661
Total Interest Income	6,399,317	6,671,581
Interest Expense		
Dividends on Shares	868,275	661,183
Interest on Borrowed Money	218,994	167,514
Total Interest Expense	1,087,269	828,697
Provision for Loan Losses		
	500,479	408,605
Net Interest Income After Provision for Loan Losses	4,811,569	5,434,279
Non-Interest Income		
Fee Income	1,786,305	2,027,513
Other Operating Income	1,344,131	1,181,066
Gain on Investments	(5,034)	(15,702)
Total Non Interest Income	3,125,402	3,192,877
Non-Interest Expense		
Employee Compensation and Benefits	3,353,804	3,553,153
Travel and Conference Expense	47,338	74,375
Office Occupancy Expense	844,535	821,137
Office Operations Expense	3,105,583	2,943,484
Education and Promotional Expenses	83,390	85,503
Loan Servicing Expense	386,546	538,814
Professional and Outside Services	344,661	249,908
NCUA Fees	42,566	43,400
Miscellaneous Operating Expenses	136,875	37,186
Total Non Interest Expense	8,345,298	8,346,960
Net Income	\$(408,327)	\$280,196

2020 Scholarship award winners

Morgan T.

The Director's Scholarship
Jonathan Law High School

Alyssa G.

The Dragon's Vault Scholarship
Middletown High School

Kara S.

The Jean Crook Memorial Scholarship
Mark T. Sheehan High School



2019 Annual meeting minutes

Held at Russel Library – Hubbard Room, 123 Broad Street, Middletown, CT on June 26, 2019 at 4:04 PM

Present:

Board Members: William Howard, Nick Cook, Jim Misenti, Mike DiPiro and Meghann LaFountain.

Supervisory Committee: Kevin Nolan and Edith Dubey

Management Staff: Robyn Swanson, Betsy Sommers, and Bill Weingartner.

Opening:

William Howard, Board Chairman, opened the annual meeting at 4:04 PM. Suzanne Marquard was appointed Recording Secretary. William Howard welcomed everyone to the 84th Annual Meeting of the Credit Union. A quorum was present with 26 members in attendance. The 2018 annual meeting minutes were approved with a motion by Robyn Swanson. The motion was seconded by Betsy Sommers. William Howard introduced members of the Board and Supervisory Committee.

Supervisory Report:

William Howard told the members that the Supervisory Committee Report was provided in the Annual Report.

Report of the Nominating Committee:

Jim Misenti read the report of the Nominating Committee on behalf of Richard Larke. The Nominating Committee put forth the following slate for nomination:

Scott Coleman, Nicholas Cook and Meghann LaFountain.

Bill Howard asked the membership to cast one vote to elect the members nominated by the committee. Damon Ribera casted vote. There were no petitions from the membership to be added to the nomination list. Scott Coleman, Nicholas Cook and Meghann LaFountain were re-elected for a three year term.

Chairman's Report:

Mr. Howard told the membership that there was a written report included in the Annual Report. Mr. Howard addressed the membership stating our employees are the credit unions most important asset and their feedback is what helps us to ensure we continually seek ways to enrich our culture. Mr. Howard announced we were recognized as one of the top 12 "Best Places to Work in Connecticut" by the Hartford Business Journal and Best Companies Group by having employees complete a confidential survey about their employer and workplace. This is the third time in 5 years we have had the honor. Mr. Howard announced the credit union will be going through a major systems upgrade. He stated it is a huge project with many milestones to ensure a seamless systems transfer. He is very excited to offer the next generation of technology to the membership. A motion to accept annual report was made by Jim Misenti. The motion was seconded by Nick Cook. Motion carried.

New Business:

William Howard asked if there was any additional new business. A member referenced the Treasurer's Report with questions about our negative year end growth. Mr. Howard explained we have many different kinds of members, of which one type is our indirect lending member. These members have share accounts opened upon loan approval. We may have periodic drops in membership due to purging of these non-active \$0 accounts. We currently are slowing down our indirect lending. Further discussion took place regarding the Treasurer's Report. Mr. Howard stated we live in a world of ratios and sometimes it's more beneficial to keep our assets down to keep our Capital up, credit unions are well capitalized with a capital ratio of above 7%. Member asked when looking at the documents from an outsider's stance; is the organization strong? Bill replied yes, and we are expecting a decrease in expenses with our new systems upgrade. Robyn Swanson stated the decline in savings deposits from 2017 and 2018 was due to the fierce competition for deposits. We lost investments (deposits) but not members due to this. Robyn stated we have had a spike of CD's in 2019 and have approx. \$1.2 million invested in those CD's. Mr. Howard stated we are in a good place and are a well-capitalized credit union per NCUA guidelines.

With no more new business, Mr. Howard requested a motion to adjourn. Motion to adjourn the business meeting was made by Nick Cook at 4:23 PM. Meghann LaFountain seconded the motion. Motion carried.

William Howard thanked everyone for attending.

Suzanne J. Marquard

Recording Secretary

Our Board of Directors

Jim Misenti

Chairman

Nick Cook

Vice-Chairman

Meghann LaFountain

Secretary

Chris Carbo

Director

Scott Coleman

Director

William Howard

Director

Jammie Middleton

Director

Our Supervisory Committee

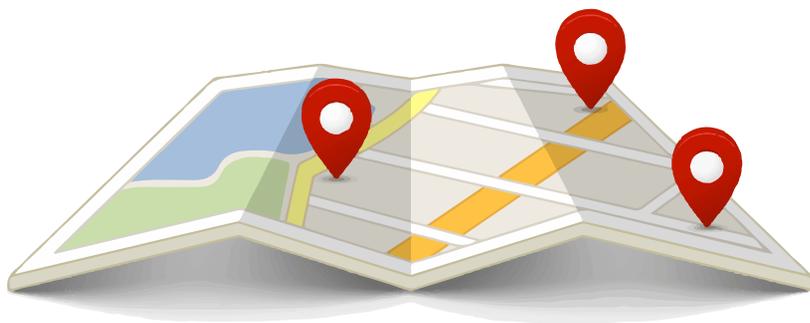
Jammie Middleton

Supervisory Committee Chairman

Scott Melchiorri

Member

Locations & Access



Business Hours

Monday	9:00am - 4:30p.m.
Tuesday	9:00am - 4:30p.m.
Wednesday	10:00am - 4:30p.m.
Thursday	9:00am - 6:00p.m.
Friday	9:00am - 5:00p.m.
Saturday	9:00am - 12:00p.m.

860-346-6614

BRANCH LOCATIONS



Middletown Branch

ITM Lobby
524 S Main Street
Middletown, CT 06457



Meriden Branch

ITM Lobby & Drive Up ITM
1371 E Main Street
Meriden, CT 06450



Middletown Operations Center

Drive Up Window & ITM
635D S Main Street
Middletown, CT 06457

A woman with curly brown hair and glasses is looking down at her smartphone. She is wearing a blue denim jacket over a dark top, a yellow beaded necklace with a silver pendant, and a silver bracelet. She is standing in front of a window with a wooden frame. The background is a plain, light-colored wall.

Helping You Afford Life



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