



# 2021

Annual Report



# Message to Members

Extraordinary | ex-traor-di-nary | *adjective* – Very unusual. Going beyond what is regular or customary. Exceptional to a very marked extent.

## Year in Review

*Extraordinary* — reflecting on 2021, extraordinary seems to be a fitting adjective. When we embarked on the new year, many anticipated a return to normalcy with hopes for a pandemic-free world. However, we continue to live through extraordinary, atypical times and we're reminded that things rarely return to the way they were. Instead, we evolve and adapt to our changing environment.

Throughout 2021, the need to help people through a financial crisis like no other demonstrated once again the incredible necessity for credit unions in our communities. Whether helping people who had temporarily lost income or were fighting the COVID-19 virus, Seasons FCU stayed true to helping people achieve their financial dreams by providing accessible financial tools such as a LifeLine of Credit or a Paycheck Protection Program (PPP) Loan.

As the year progressed, the battle to keep our employees safe, serve our members, and be a community partner during a pandemic continued. As usual, our Seasons FCU team devised creative and smart ways to safely serve members so we could keep our branches open. In addition, the Seasons FCU team banded together to move forward with our plans to continue our commitment of improving service to the membership.

### Products and Services

Understanding the importance of growth, we focused on product enhancements and improvements with infrastructure and security. Our strategy for product enhancements began by migrating our credit card platform to a new internal platform, which offered members a new online banking experience and a new credit card rewards program.

Next, we focused on the infrastructure and made significant improvements and security enhancements to better protect our members. As we grow and the changing nature of work environments, it's critical that we can mitigate the risk of cyber threats and meet changing security demands. A secure IT infrastructure and cybersecurity platform will allow us to focus on what we do best – empower our members to live their best financial lives.

### Financial Performance

As the pandemic continues to affect our lives, we stayed the course by providing the best resources and services to our valued members. Despite challenging economic conditions that included rising inflation, low vehicle inventory, increasing housing prices, and decreasing credit card usage, we closed the year strong and ended better than budgeted.

We have seen a significant increase in member deposit account balances this past year. The rise in member deposits began with stimulus payments received during the pandemic, and member savings has continued into 2022. Delinquency on member loans have also declined, allowing us to lower the amount we set aside for potential loan charge offs/losses.

### Empowering our Communities

Although we've seen the worst of times, we've seen the best of people. Our people are our greatest asset. Our staff responded admirably to the challenges of this year, not only by serving our members but our communities as well. Communities served include the Middletown Community Thanksgiving project and the Middletown South Fire District annual adopt a family. Employees purchased gifts, made donations and wrapped gifts for local families.

We also supported Middlesex Health Cancer Center through our sponsorship of Seeds of Hope and Middlesex Got Talent, to help support services that the Cancer Center team provides at no cost to patients, which are not reimbursed by insurance. Philanthropy will continue to play an important role in our organization as we strive to be a credit union of choice admired for our impact on the people we serve.

## How will 2022 unfold?

As the saying goes, the only constant in life is change. We've positioned your credit union to meet this changing environment. We've forecasted a variety of scenarios and have a new and exciting strategic plan in place, focused on bringing value to our members and fortifying the health of the credit union.

Over the years, our Kasasa Rewards Checking program has been part of Seasons FCU, however, to make way for some new and exciting programs, as of March 31, 2022, we no longer offered Kasasa Rewards Checking to our members. Instead, we designed new checking account offerings with reward options to better serve our members.

In 2022, we'll be launching a new online & mobile banking app experience. Our goal to create a seamless digital experience with less clicks to remove obstacles and create a top-notch member experience for 2022 and beyond.

This year, Seasons FCU partnered with Middletown Pride to become a sponsor at the PrideFEST to celebrate our local LGBTQIA2S+ communities. Seasons FCU will be offering products that respond to the needs of the LGBTQ+ community, such as loans for same-sex couples who want to start a family or transgender folks seeking medical treatments. Our goal is to create a safe and visible space by providing financial products and services for the LGBTQ+ community.

As we look to the future, we'll continue to enhance our service offerings and capabilities to help you—our members—achieve your financial goals. Your Board and Management will continue fulfilling its purpose of providing strategic direction and oversight to ensure our members' best interests are top priority. Together, we will never lose focus on what makes this credit union extraordinary—*People Helping People.*

Respectfully,

**Keith A. Wiemert**  
President/CEO


**Jim Misenti**  
Board Chairman




# 2021 Lending Report

During 2021 Seasons Federal Credit Union originated 2,037 loans, lines of credit and credit cards totaling \$43,290,065. The First Mortgage Department originated and sold 49 mortgages totaling \$10,299,536. These mortgages were subsequently sold on the secondary market to Fannie Mae. The credit union also purchased nine pools of loans via participation totaling \$2,280,501. 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
Holiday Loans	46	\$140,701
Home Equity Line of Credit	43	\$918,487
Home Equity Second Position	10	\$496,502
Home Improvement	84	\$1,018,310
Lifeline LOC	19	\$123,501
New Direct Auto	65	\$2,345,559
New Indirect Auto	111	\$3,888,823
Portfolio First Position	58	\$9,734,332
Private Student Loan	10	\$115,945
RV	20	\$460,663
SBA PPP Loans	16	\$412,733
Share Secured	13	\$174,314
Signature	369	\$2,904,834
Upgrade	94	\$1,296,406
Used Direct Auto	494	\$10,675,259
Used Indirect Auto	346	\$8,385,272
VISA/Balance Transfer	239	\$198,424
<b>Subtotal</b>	<b>2037</b>	<b>\$43,290,065</b>
Loan Participations	9 Pools	\$2,280,501
Sold First Mortgages	49	\$10,299,536
<b>Total</b>	<b>2086</b>	<b>\$55,870,102</b>

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

 Together we make our communities stronger.

The loan portfolio balance as of December 31, 2021 was \$111,408,081. The yield on the credit union's loan portfolio at year-end was 4.466%.

Respectfully submitted:

**Betsy Sommers**  
Senior Vice President

# 2021 Treasurer's Report

Following the dramatic economic slowdown resulting from the COVID-19 outbreak and lockdown in early 2020, business activity in our state and region began to recover significantly in 2021, spurring strong economic activity and growth for the year. Our work in 2020 was dominated by providing critical assistance to our members most impacted by the pandemic, and we continued that focus through a majority of 2021. We are pleased to report that the Credit Union was able to continue to fully service our members throughout 2021 using a combination of our innovative electronic service model and in-staff presence.

As a trusted partner that works closely with its members, the Credit Union services a growing loan portfolio which had a balance of \$111 million at the end of the 2021 year. Deposits grew more than \$5.4 million in 2021, ending the year over \$158 million. We finished the 2021 fiscal year with approximately \$169 million in assets and annual net income of \$857 thousand. Seasons Federal Credit Union's regulatory capital ratio, an indicator of financial strength, was 6.71% as of December 31, 2021. Based on the regulatory capital ratio, The National Credit Union Administration (NCUA) considers Seasons to be rated as an adequately capitalized institution.

Industry consolidation will continue to aid our growth efforts, as several regional competitors either acquired other institutions or were acquired by larger entities and now focus on larger business opportunities. As such, we continue to seek ways to provide value to our clients, from

insuring we have the best people working on their behalf, to developing new products and services, and maintaining our rigorous underwriting, compliance, and credit standards.

We at Seasons want to extend our heartfelt thanks to all our employees for their contribution to our success in 2021, to our members, who have grown with us and rely on us for their financial needs, and to the communities we operate in for their continued support. We appreciate your continued confidence and support of Seasons Federal Credit Union.

Respectfully submitted,

**Chris Moore**  
VP of Accounting



# 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.

Over the past year, the supervisory committee has had some changes in the partners it works with to audit various areas of the credit union operation. We have expanded the number and type of external audits that are conducted and receive reports on these areas on a rolling basis. This will help the supervisory committee to better monitor the practices and procedures of the credit union.

In terms of member complaints, there was no significant increase in the number of issues presented to the Supervisory Committee in the last year.

The Supervisory Committee will continue to work with NCUA auditors, our external partners and internal stake holders including the Board or Directors, management, and credit union members to ensure the safety of members accounts and excellent service they expect and deserve.

Respectfully submitted,

**Jammie Middleton**  
Supervisory Committee Chairman



# Consolidated Statement of Financial Condition

Assets	Dec 31, 2021	Dec 31, 2020
Cash and cash equivalents	19,753,230	12,461,235
Investments	19,924,876	22,343,328
Loans held for sale	720,000	1,348,000
Loans to members, net	111,050,506	110,696,303
Land and building	2,570,175	2,615,721
Other Fixed Assets	907,345	965,799
NCUA Share Insurance Capitalization Deposit	1,559,233	1,517,499
Other Assets	12,300,530	9,246,951
<b>Total Assets</b>	<b>\$168,785,895</b>	<b>\$161,194,836</b>
Liabilities and Retained Earnings		
Liabilities		
Accounts Payable and Other Liabilities	2,163,119	1,405,586
Members Shares and Savings Accounts	158,223,080	152,796,885
<b>Total Liabilities</b>	<b>\$160,386,199</b>	<b>\$154,202,471</b>
Retained Earnings	8,399,696	6,992,365
<b>Total Liabilities and Retained Earnings</b>	<b>\$168,785,895</b>	<b>\$161,194,836</b>

# Consolidated Statement of Income

	Dec 31, 2021	Dec 31, 2020
<b>Interest Income</b>		
Interest on Loans	5,004,399	4,858,680
Interest on Investments	443,082	314,568
<b>Total Interest Income</b>	<b>5,447,481</b>	<b>5,173,248</b>
<b>Interest Expense</b>		
Dividends on Shares	325,441	709,908
Interest on Borrowed Money	6	136,841
<b>Total Interest Expense</b>	<b>325,441</b>	<b>846,749</b>
<b>Provision for Loan Losses</b>	<b>(60,078)</b>	<b>955,064</b>
<b>Net Interest Income After Provision for Loan Losses</b>	<b>5,182,118</b>	<b>3,371,435</b>
<b>Non-Interest Income</b>		
Fee Income	1,583,377	1,484,870
Other Operating Income	1,751,701	1,193,902
Gain on Investments	(11,395)	(4,986)
<b>Total Non Interest Income</b>	<b>3,323,683</b>	<b>2,673,786</b>
<b>Non-Interest Expense</b>		
Employee Compensation and Benefits	3,697,891	3,417,433
Travel and Conference Expense	23,293	31,726
Office Occupancy Expense	652,265	740,110
Office Operations Expense	2,256,950	2,328,292
Education and Promotional Expenses	145,438	105,411
Loan Servicing Expense	583,756	516,471
Professional and Outside Services	215,001	228,827
NCUA Fees	28,257	40,501
Miscellaneous Operating Expenses	45,546	110,246
<b>Total Non Interest Expense</b>	<b>7,648,397</b>	<b>7,519,017</b>
<b>Net Income</b>	<b>\$857,404</b>	<b>\$(1,473,796)</b>



# 2022 Scholarship Award Winners

**Xavier F.**

The Director's Scholarship  
OH Platt High School

**Timothy V.**

The Dragon's Vault Scholarship  
Middletown High School

**Kailey P.**

The Jean Crook Memorial Scholarship  
Coginchaug Regional High School



# 2021 Annual Meeting Minutes

Held Virtually via Zoom  
June 23, 2021 at 4:00 PM

## Present:

Board Members: Jim Misenti, Meghann LaFountain, William Howard, Scott Coleman and Jammie Middleton.

Supervisory Committee: Jammie Middleton

Management Staff: Keith Wiemert, Betsy Sommers, Amanda Barrett, Michele Patton, Dillon Tardif and Nicole DeAngelis

Dillon Tardif, Marketing Manager, encouraged membership to download our annual report and advised them to send questions via the chat feature. Due to COVID-19 this year's meeting is being held virtually.

## Opening:

Jim Misenti, Board Chairman, opened the annual meeting at 4:09 PM with a moment of silence to honor those lost to COVID-19 and for all the families impacted by a loss during the pandemic. Suzanne Marquard was appointed Recording Secretary.

Jim Misenti welcomed everyone to the 86th Annual Meeting of the Credit Union. We had 23 members present, due to COVID-19, the NCUA extended the virtual annual meeting rules into 2021, but credit unions need a quorum present.

Any recommended amendments to the 2020 annual meeting minutes of last year's meeting were to be emailed into the credit union prior to today. We received no recommended amendments to the minutes; therefore, the minutes will stand.

Jim Misenti introduced members of the Board and Supervisory Committee. All members serve on a voluntarily basis and are members of the credit union.

## Supervisory Report:

Jim Misenti told the members that the Supervisory Committee Report was provided in the Annual Report. He thanked the members of the committee for their efforts.

## Report of the Nominating Committee:

Dick Larke read the report of the Nominating Committee. The Nominating Committee put forth the following slate for nomination:

*William Howard*

Jim Misenti asked the membership to cast one vote to elect the member(s) nominated by the committee. Betsy Sommers made a motion, Amanda Barrett seconded the motion, and the motion carried.

There were no petitions from the membership to be added to the nomination list. William Howard was re-elected for a three-year term.

## Chairman's Report:

Mr. Misenti told the membership that there was a written report included in the Annual Report and invited Keith Wiemert to speak on the credit unions current matters.

Keith Wiemert addressed the membership. As you know, COVID has been devastating, and as a credit union, we are still feeling the effects. Keith thanked the staff for their flexibility and efforts throughout the pandemic. Our staff acted quickly implementing safety and sanitizing protocols; mandated CDC guidelines were followed, and many of our staff transitioned to remote working.

Keith also thanked the membership for their patience and loyalty throughout the pandemic, especially as we implemented changes, such as shortened and/or closed branch hours, and dividend structures.

## New Business:

Jim Misenti asked if there was any additional new business.

With no new business, Mr. Misenti requested a motion to adjourn.

Motion to adjourn the business meeting was made by Betsy Sommers at 4:17 PM. Amanda Barrett seconded the motion. Motion carried.

Jim Misenti thanked everyone for attending.

**Suzanne J. Marquard**  
Recording Secretary

# Our Board of Directors

**Jim Misenti**

Chairman

**Meghann LaFountain**

Vice-Chairwoman

**Chris Carbo**

Secretary

**Scott Coleman**

Director

**Nick Cook**

Director

**William Howard**

Director

**Jammie Middleton**

Director

# Our Supervisory Committee

**Jammie Middleton**

Chairman

**Steven Kovach**

Member

**Scott Melchiorri**

Member



# Seasons

Federal Credit Union

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