



2022

Annual Report



Message to Members



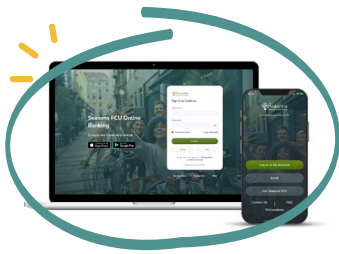
Last year, we partnered with Middletown Pride to become a sponsor at the PrideFEST to celebrate our local LGBTQ+ communities. Seasons FCU created products that responded to the needs of the LGBTQ+ community, such as loans for same-sex couples who want to start a family or gender affirmation loans. Our goal is to create a safe and visible space by providing financial products and services for the LGBTQ+ community.

Focused.

It's the word that best describes 2022 while continuing to define this year and the near future. Why? Because we remain focused on our Members, focused on our Team Members, and focused on the fundamentals. Staying true to these key pillars ensures our continued success and yours.

Last year was definitely an interesting and challenging year for everyone – seven consecutive interest rate hikes by the Federal Reserve, unprecedented inflation, and the threat of recession. Despite all these challenges, Seasons FCU has continued to grow and expand services for our members.

In 2022 we made significant changes to our checking accounts offerings with new reward options to better serve our members. We also introduced a debit card rewards program in which cardholders receive points to purchase merchandise or services by using their Seasons FCU debit card. Lastly, we partnered with CU Offers to deliver valuable discounts and special offers from local businesses and restaurants, right to your phone.



In August, we redesigned our online banking and mobile banking app to a more intuitive and accessible platform that offers many new features, such as Credit Score monitoring and convenient options to transfer money. We've made it easier to manage important tasks all from your dashboard.

What does this year look like?

We're full of *cautious optimism*.

We expect targeted opportunities for growth, both in deposits and lending, and overall membership. But that means a laser focus on the fundamentals, serving our Members and communities with a suite of products and services to which they have come to expect. It's a great time for savers as interest rates have steadily climbed in the last 12 months. The flip side, of course, borrowers face more expensive mortgages, auto loans, and credit cards.

So, when asked about our future, we say with great confidence that we have a strong leadership team who's been through this kind of uncertainty before. They are battle tested and ready for whatever this year brings. In good times or hard times, when our members need us, we are here.


But we know that we're only as strong as our Members and the communities we serve. Serving our Members, and safeguarding their financial future is our greatest undertaking. Together, we achieve their financial goals in creative, rewarding ways. And as we grow, so do the avenues of opportunity to continue serving our communities.


Thank you for your support and membership.

Keith A. Wiemert
President/CEO

Jim Misenti
Board Chairman

2022 Lending Report

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

 Together we make our communities stronger.

During 2022 Seasons Federal Credit Union originated 2,246 loans, lines of credit and credit cards totaling \$53,483,231.49. The First Mortgage Department originated and sold 1 mortgage totaling \$244,00 on the secondary market to Fannie Mae. The credit union also purchased nine pools of loans via participation totaling \$4,058,440.30. 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
Employee Benefit Loans	17	\$24,847.38
Home Equity Line of Credit	24	\$408,602.47
Holiday Loans	51	\$132,046.00
Home Equity Second Position	47	\$2,819,140.60
Home Improvement	36	\$574,620.00
Lifeline LOC	6	\$18,984.00
New Direct Auto	113	\$4,586,886.00
New Indirect Auto	257	\$8,247,492.61
Portfolio First Position	44	\$7,566,465.24
Upgrade Unsecured	113	\$1,656,105.00
RV	16	\$631,394.00
Share Secured	11	\$218,316.00
Private Student Loans	19	\$424,903.00
Signature	557	\$5,680,730.00
Used Direct Auto	483	\$12,544,916.61
Used Indirect Auto	299	\$7,825,754.58
VISA/Balance Transfer	133	\$122,028.00
Subtotal	2246	\$53,483,231.49
Loans Sold to Fannie Mae	1	\$244,000.00
Purchased Loans	9 Pools	\$4,058,440.30
Total	2256	\$57,785,671.79

The loan portfolio balance as of December 31, 2023, was \$128,481,849. The yield on the credit union's loan portfolio at year-end was 4.427%.

Respectfully submitted,

Betsy Sommers
Senior Vice President

2022 Treasurer's Report

Economic activity continued to normalize and accelerate throughout 2022 following the unprecedented public health shutdowns of the prior years. The normalization throughout 2022 spurred consumer spending and borrowing. We are pleased to report that the Credit Union was able to grow its loan portfolio by over \$17 million in 2022 and grow its share balances by \$3.5 million. Total asset growth for the 2022 year totaled \$3.6 million, or 2.2%. This was accomplished as the Federal Reserve raised its benchmark interest rates 7 times over the year in an effort to combat record inflation.

As a trusted partner that works closely with its members, the Credit Union services a growing loan portfolio which had a balance of \$128 million at the end of the 2022 year. Deposits grew more than \$3.4 million in 2022, ending the year over \$161 million. We finished the 2022 fiscal year with approximately \$172 million in assets and annual net income of \$755 thousand. Seasons Federal Credit Union's regulatory capital ratio, an indicator of financial strength, was 7.00% as of December 31, 2022. Based on the regulatory capital ratio, The National Credit Union Administration (NCUA) considers Seasons to be rated as a well-capitalized institution.

Industry consolidation continued throughout 2022, and 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 2022, 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.

There have been several changes of note in the last year. The Supervisory Committee is now operating with four members, having added two members with prior credit union experience to the team. Additionally, the committee has engaged the services of a new external auditor, a local team that has been both highly responsive to the committee and demonstrated the highest levels of professionalism and knowledge.

The committee recently had the opportunity to meet with the NCUA auditors, and we are happy to report that the auditors are satisfied with the direction in which the Supervisory Committee has been moving. We continue to have a good working relationship with the NCUA team and they have been helpful in guiding the committee in protecting the safety of members' accounts and the excellent service they expect and deserve.

The Supervisory Committee will continue to monitor the practices and procedures of the credit union and focus on ensuring that the credit unions' employees and management team continues to operate to the highest standards.

Respectfully submitted,

Jammie Middleton
Supervisory Committee Chairman



Consolidated Statement of Financial Condition

Assets	Dec 31, 2022	Dec 31, 2021
Cash and cash equivalents	7,774,443	19,753,230
Investments	18,819,131	19,924,876
Loans held for sale	-	720,000
Loans to members, net	128,067,874	111,050,506
Land and building	2,626,448	2,570,175
Other Fixed Assets	707,613	907,345
NCUA Share Insurance Capitalization Deposit	1,551,363	1,559,233
Other Assets	12,888,153	12,300,530
Total Assets	\$172,435,025	\$168,785,895
Liabilities and Retained Earnings		
Liabilities		
Accounts Payable and Other Liabilities	3,649,625	2,163,119
Members Shares and Savings Accounts	161,692,301	158,223,080
Total Liabilities	\$165,341,926	\$160,386,199
Retained Earnings	7,093,099	8,399,696
Total Liabilities and Retained Earnings	\$172,435,025	\$168,785,895

Consolidated Statement of Income

	Dec 31, 2022	Dec 31, 2021
Interest Income		
Interest on Loans	5,393,619	5,004,399
Interest on Investments	314,094	443,082
Total Interest Income	5,707,713	5,447,481
Interest Expense		
Dividends on Shares	232,004	325,441
Interest on Borrowed Money	45,533	6
Total Interest Expense	277,537	325,441
Provision for Loan Losses	381,699	(60,078)
Net Interest Income After Provision for Loan Losses	5,048,477	5,182,118
Non-Interest Income		
Fee Income	1,691,322	1,583,377
Other Operating Income	2,131,657	1,751,701
Gain on Investments	(1,669)	(11,395)
Total Non Interest Income	3,821,310	3,323,683
Non-Interest Expense		
Employee Compensation and Benefits	3,909,667	3,697,891
Travel and Conference Expense	30,110	23,293
Office Occupancy Expense	677,166	652,265
Office Operations Expense	2,362,846	2,256,950
Education and Promotional Expenses	143,811	145,438
Loan Servicing Expense	524,910	583,756
Professional and Outside Services	249,209	215,001
NCUA Fees	26,827	28,257
Miscellaneous Operating Expenses	190,253	45,546
Total Non Interest Expense	8,114,799	7,648,397
Net Income	\$754,988	\$857,404

2023 Scholarship Award Winners

Pilar B.

The Seasons FCU Community Scholarship
Middletown High School

Meghan L.

The Dragon's Vault Scholarship
Middletown High School

Douglas K.

The Jean Crook Memorial Scholarship
Coginchaug Regional High School



2022 Annual Meeting Minutes

Held Virtually via Zoom
June 29, 2022 at 4:00 PM

Present:

Board Members: Jim Misenti, Meghann LaFountain, William Howard, Nick Cook and Jammie Middleton.

Supervisory Committee: Jammie Middleton and Steven Kovach

Management Staff: Keith Wiemert, Robyn Swanson, Betsy Sommers, Chris Moore, Jamie Olander, Amanda Barrett, Krystal Aimi, 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.

Opening:

Jim Misenti, Board Chairman, opened the annual meeting at 4:04 PM. Holding an annual meeting is mandated by federal regulations and has been held virtually since 2020. Suzanne Marquard was appointed Recording Secretary.

Jim Misenti welcomed everyone to the 87th Annual Meeting of the Credit Union. We had 22 members present, which constitutes a quorum.

Any recommended amendments to the 2021 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 informed members 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:

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

Scott Coleman, Nicholas Cook, and Meghann LaFountain.

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

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:

Jim Misenti informed membership there was a written report included in the Annual Report and invited Keith Wiemert to speak on the credit union's current matters.

Keith Wiemert addressed the membership stating he celebrated his 25th anniversary with the credit union and found the last two years of his career the most challenging due to the pandemic. Keith thanked staff for their continued flexibility and dedication to our members. And is confident they will continue to help members reach their financial goals through this chaotic time with inflation and possibility of a recession on the horizon. Keith also recognized the Board and Supervisory Committee for their volunteered time and support throughout the past couple years.

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 4:14 PM. Robyn Swanson seconded the motion. Motion carried.

Jim Misenti thanked everyone for attending and wished members continued well-being.

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

Sharon Maloney

Member

George McGoldrick

Member



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