

Annual Report 2005

May 24, 2006

UHS Employees'  
Federal Credit Union  
607.763.6565  
www.uhsefcu.org

# Dollars & Dreams

A Newsletter for Members of  
UHS Employees' Federal Credit Union

## Who's Who At Your CU

### Wilson Office

#### **Jack Ewald**

Chief Executive Officer

#### **Debbie Galazyn**

Operations Specialist

#### **Linda Bartola-Hayes**

Senior Member Service Rep.

#### **Carolyn Kolba**

Member Service Rep.

### BGH Office

#### **Karen Thurber**

Asst. Manager/  
Senior Loan Officer

#### **Colleen Collins**

Loan Officer

#### **Darlene Tronkowski**

Senior Member Service Rep.

**You can reach any of  
your Credit Union Staff  
by calling 763.6565.**

## Scholarship Winner!!

Congratulations to Katherine M. Haas, winner of our Annual Credit Union Scholarship! Katherine takes home the Grand Prize of a \$2000 ZERO% student loan, interest-free! We wish Katherine all the best as she pursues her education in the fall!

## Direct Deposit

The Safe & Easy way to simplify your life!  
Reliable \* Convenient \* Secure  
It's Easy! Fill out a payroll form at your  
Credit Union office today!

## Free Checking!!!

100s of Surcharge-Free ATM's  
No Monthly Fee  
No Fee Debit Card  
Overdraft Line of Credit Available

## Free Home Banking!

Internet-Banking and Telephone Banking  
Check balances and make transfers  
between your accounts 24 hours a day

## Free Financial Education Classes

Your Credit Union is planning to offer free on-site financial educational classes for all United Health Services employees, presented By the Glen Wood Financial Group, Inc. More information coming soon!

## Back to Basics: How Does Our Credit Union Work?

*As we report to you on a past year of continued growth and challenges, and continue on an ambitious path through 2006, we wish to take a moment away from the facts and figures in order to put all that we do in perspective by talking about who we are and how that impacts how we operate.*

*Our Credit Union is a financial cooperative. More simply put, we are a **bunch of people, with something in common (members of the UHS Community), gathered together to manage our own money.***



*That simple concept must, and does, drive everyone at our Credit Union. Our volunteer board members, and our management and staff, always return to that basic concept in every decision we make, from setting loan and dividend rates, to making a loan for a member that a bank wouldn't, to planning the next generation of products and services. It reminds us at every turn that each dollar was hard-earned by our members, and that we are here to help our members turn each dollar of savings or borrowed funds into a stable investment in their own future, and the future of their fellow members.*

*The concept must be recognized not only by our Board of Directors, management, and staff. It is something that every member must understand and embrace if we are all to be successful together. Members, as owners, built this Credit Union hour by hour, year by year, dollar by dollar. Every member investment in a car loan, home equity loan, student loan, consolidation loan, is paid for with the hard-earned dollars of the rest of our members. The same money that is put into share accounts, checking accounts, certificates of deposit, and Christmas clubs finances a better future for all members who borrow that money. In turn, the interest paid by our borrowing members provides the dividends on member share accounts, certificates of deposit, and Christmas Clubs that enable saving members to earn interest on their deposits and then use those deposits to make the same types of constructive investments in their future.*

*At some time in our lives, every one of us has been, or will be, both a borrower and a saver. In either role, it is important not to become a victim of the lender or depository institution. By being a member of our Credit Union your deposits and your loans are being reinvested right here to help you and your fellow members. You are not paying profits to Wall Street, nor a few rich bank owners, nor paying for the company cars of overpaid executives. You are investing in a **not-for-profit organization that you own**, and therefore can be certain that your Credit Union has no reason to focus on anything but your best interests.*

*One more piece: not every dollar that loans generate gets paid right back out in dividends. That is because along with rights of ownership comes the responsibility to pay to keep this Credit Union running (pay for the staff that helps you, the computers that hold your information, the debit card that you can swipe around the world, the furniture you sit on when you visit us, and the next generation of technology, products, and services that keep your Credit Union competitive in this modern age,). Unfortunately, this also means you need to pay for those members who are unable or unwilling to pay back loans, and pay for the members who have overdrawn their checking or savings accounts. In addition to those losses themselves, you pay for your Credit Union staff to focus on recovering funds from those few members when they should be focused on assisting you with your daily Credit Union needs. The good news is that most Credit Union members take their use of fellow-members' funds very seriously and therefore most of your money does get invested right back into your Credit Union and into your future!*

*continued on back*

**Elect Your Board...**

**Annual Elections, May 24, 2006  
Russell Room, Binghamton General Hospital**

Your Credit Union's 2006 Annual Meeting is to be held on Wednesday, May 24th, at 11:30am. A light lunch will be served. At the Annual Meeting, four seats will be up for election to our Board of Directors. Listed below are the four Credit Union members running for these seats.

**Chris Bailey (re-election)**

Chris has enjoyed serving on the UHS EFCU Board and would like to be considered for re-election not only to continue to offer support on a variety of levels, but to remain actively involved with an organization that provides such a valuable service. She looks forward to learning more as we move forward and appreciates the confidence the Board has placed in her over the last year.

**Jack Ewald (re-election)**

Jack has served as Chief Executive Officer of the UHS Employee's Federal Credit Union for almost 4 years, while also having been elected to the Board of Directors and serving as Treasurer of the Board during that time. Jack's experience in day-day management of the Credit Union allows him to bring a unique "in the trenches" perspective to Board discussions and decision-making.

**Barb Fabrizi (election)**

Barb is a diagnostic coding technician in the Renal Care Center. She has been with United Health Services for 5 years. She started out at WFCC as a part of the front office clerical team, and worked at DFCC as a financial account representative.

Barb has many years of volunteering as the financial treasurer with the Town of Windsor Youth Programs Booster Club, and also was very active with the creation of the Alice Freeman Palmer Elementary / Middle School PTA, as President and financial advisor.

**Lee King (re-election)**

Lee has been a Nurse Manager of North Tower 4 for the past 6 years. He has been a Registered Nurse for 14 years and worked at United Health Services for 19 years come this October. He started off as a psych. tech., graduated nursing school, worked for 1 year on Med. Surg, 4 years CCU and then 2 years in the ER prior to being a nurse manager. He has a background in Accounting and some culinary experience. He has been on the BOD for 4 years and is the Chair of the Community Outreach program.

**Back to Basics: How Does Our Credit Union Work?**

*continued*

So, how does this play into your real life decisions? **Well, want a lower loan rate?** Knowing how the Credit Union works, you are able to realize that the way to get lower loan rates is to make sure your checking and savings accounts are also with the Credit Union (so we can lend that money back to you). You also know that as a cooperative financial institution, your rates would probably go down if more people were cooperating by holding their loans with the Credit Union as well. So, ask yourself, are your friends, family, colleagues, paying interest on their loans to someone outside of your Credit Union? Where is that interest going? Who is it helping? Wouldn't you both be better off if that person brought their loan to the Credit Union so you could both benefit from those interest payments? **Do you want improved services?** Have you talked to your Credit Union staff, or a volunteer Board member? Maybe your idea can spur a key improvement, or even a new product or service that will benefit you and all of your fellow members system-wide! **Want to have even more impact?** You also have the opportunity to help run the place by volunteering on one of the many important Credit Union committees, and even running for the Board of Directors.

Your volunteer Board of Directors and your Credit Union management and staff look forward to continuing to build and improve our Credit Union under your active guidance and in the truly cooperative spirit of the Credit Union Movement!

Respectfully submitted,

*María C. Tinklepaugh*  
Chair, Board of Directors

*Jack Ewald*  
Chief Executive Officer

**Statement of Condition (unaudited)**

**Balance Sheet**

Years	2004	2005
Loans to Members (net)	\$5,387,322	\$6,281,041
Cash & Investments	\$2,693,051	\$1,812,463
Furniture & Equipment	\$12,427	\$18,489
Other Assets	\$84,838	\$84,277
<b>Total Assets</b>	<b>\$8,177,638</b>	<b>\$8,196,270</b>

Accrued Dividends Payable	\$12,032	\$226
Accts Payable & Other Liab.	\$34,963	\$45,324
<b>Total Liabilities</b>	<b>\$46,995</b>	<b>\$45,550</b>

Shares & Share Drafts	\$6,018,409	\$5,990,035
Certificates of Deposit	\$682,824	\$697,486
<b>Total Shares &amp; Deposits</b>	<b>\$6,701,233</b>	<b>\$6,687,521</b>

Reserves	\$195,189	\$195,189
Undivided Earnings	\$1,235,209	\$1,273,057
Unrealized Gains(Losses)	(\$988)	(\$5,048)
<b>Total Equity</b>	<b>\$1,429,410</b>	<b>\$1,463,198</b>

**Income Statement**

Years	2004	2005
Interest on Loans	\$424,391	\$408,705
Interest on Investments	\$72,843	\$71,427
Other Income	\$88,671	\$92,930
<b>Total Income</b>	<b>\$585,905</b>	<b>\$573,062</b>

Employee Comp & Benefits	\$297,138	\$274,341
Employee & Director Training	\$8,934	\$5,031
Office Operations Expense	\$45,484	\$61,653
Member Ed. & Promotion	\$6,055	\$5,933
Loan Servicing Expense	\$34,248	\$30,489
Professional & Outside Svcs.	\$51,366	\$29,803
Federal Operating Fees	\$1,426	\$1,707
Misc. Operating Expense	\$12,558	\$15,288
<b>Total Non-Interest Expense:</b>	<b>\$457,209</b>	<b>\$424,245</b>

Dividends paid to Members	\$56,711	\$49,037
Interest on Borrowed Money	\$14	\$1,667
Provision for Loan Loss	\$45,515	\$77,000
(\$ Lost due to non-pmt of loans)		
<b>Total Paid to Members</b>	<b>\$102,226</b>	<b>\$127,704</b>

<b>Net Income (Loss)</b>	<b>\$26,456</b>	<b>\$21,112</b>
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**More Fun Facts**

<b>Membership</b>	<b>3,267</b>	<b>3,384</b>
<b>Loan/Share Ratio</b>	<b>80%</b>	<b>94%</b>

**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: 1.800.543.5073
- Closely guard PIN numbers and ATM receipts
- Shred financial solicitations

You can get a free copy of your credit report every year at [www.annualcreditreport.com](http://www.annualcreditreport.com) or by calling 1-877-322-8228. This is the ONLY official way to get your free annual credit report with no strings attached.