VCCFCU NEWSLETTER

SPRING 2020

Teller Hours
Mondays & Thursdays **2pm-8pm**
Tuesdays & Wednesdays **9am-12pm**

3960B Hillman Avenue, Bronx, NY 10463
Phone: 718.549.5858 | Fax: 718.549.2921
Email: CreditUnion@vccfcu.com • Website: www.vccfcu.com

Use Your Tax Refund to Improve Your Credit

VCCFCU SHARE SECURE LOAN

3.50% APR
up to 60 month terms.

According to the IRS, $324 billion was given back to taxpayers in 2018; the average tax refund was $2,727. Some people save this money while others spend it. But the smart thing to do is use this money to improve your credit by paying off high interest credit cards, cover overdue and delinquent accounts, or take out a secured credit card or low interest share secured loan with us.

With a low rate VCCFCU share secured loan, you can pay off high interest credit cards, loans, or bills saving you hundreds of dollars in interest and improve your credit score. Don't have credit? No problem. You can start building credit with a VCCFCU secured Visa credit card which carries a low fixed 9.9% interest rate.

How does a share secure loan or secure Visa credit card work? Members will collateralize the low rate loan or credit card with funds they already have deposited within their share account. Your funds will be held in your share savings or a share certificate account earning interest until the secured loan is paid in full or the secured Visa credit card is paid in full and closed or converted to an unsecured card. So not only have you paid off high interest debt and improved your credit score but in the end you have saved and earned interest on those funds. The VCCFCU share secured loan & secured Visa credit card is a win- win.

Come in or call the Loan Specialist at the Credit Union.

FREE!
COSTCO GOLD STAR Membership for credit union borrowers.*

At VCCFCU we offer great loans to help you get a new car or truck, purchase a home, pay for educational expenses, and so much more . With our focus on people over profit, we offer competitive interest rates and flexible terms to help you finance your life in a way that works for you.

COSTCO WHOLESALE GOLD STAR MEMBER

* The 1 Year Costco Gold Star Membership is for loans approved and disbursed as of 4/1/2020 and includes a requirement that approved loan amounts are $5000 or more and cannot be paid off within the first 6 months of disbursal.
**Amount financed is based on member qualification and may need to be collateralized with co-signors. Rates are subject to change. Borrowers with lower than 750 credit scores or negative credit, regardless of credit score, including but not limited to outstanding: late payments, collection accounts, judgments, charge-offs and bankruptcies within 2 years are subject up to a 4% interest rate increase on all of the current rates listed.

A MESSAGE FROM OUR PRESIDENT

2019 was a year of recovery for VCCFCU. Through intelligent, focused management, VCCFCU avoided the fate of other federal credit unions. We were able to jettison our remaining taxi loans and re-focus our business. Montauk FCU, Melrose and Progressive, to name a few, succumbed to the taxi loan crisis. It's a sad situation. Taxi loans were a prime method of safe, secure lending for many years. Uber in a short time upset the entire industry and made many taxi companies unprofitable.

So as we move forward, VCCFCU is looking to make even more loans for our other strengths – loans for mortgages, coop apartments, automobiles, debt consolidation and education. Our loans make many goals in our member's lives achievable.

The other attractive aspect of our loans is that the interest we charge is lower than that of all the commercial banks around.

The remaining items of our income statement and balance sheet have remained fairly steady. Our expenses, especially our payroll, have remained stable. We are now focused on increasing our income.

We worked hard with the National Credit Union Administration, our federal overseer, to attain much less risk and raise our capital ratio. We are looking forward now to building our business with all of you.

Despite the challenges of the current state of the world, we're looking forward to better 2020 results.

Yes, 2020 is an election year. We've already seen unbelievable fund raising and ad spending by a myriad of candidates, with the field now much narrower heading towards our political conventions. More promising the world to the electorate, more false claims of achievement coming out of a reputation scarred White House.

As this is being written in early March, it is also difficult to forecast the effect of the Coronavirus epidemic on both our economy and politics. I don't view as viable shutting down various sectors of our economy, but fear, panic and the rule of mob psychology can change that. Knowledge and calm, informed judgments are in short supply.

Moving further into 2020, our fragile economy and vulnerable stock market need less panic, but once again mob psychology has too great an effect. Already, OPEC is warring among themselves as to how to control oil prices and supplies. And the Chinese economy has already been severely affected by the virus. Which will now ripple around the world as China is both the world's biggest consumer and exporter of all manufactured products. At the point of this writing, all of northern Italy is also under quarantine. Who knows how far that will spread.

So uncertainty will continue to rule our lives, much of it self-inflicted by panic. This is so unnecessary. The yearly flu season takes a greater toll. Let's all step back and take a breath (bad pun) and act with restraint. ***–Andrew Kimerling,*** *President*

SHARE RATES – 1st Quarter, 2020

	RATE
Regular Share	0.05% APY
Youth Share (for members up to age 21; paid on balances up to $1000)	3.03% APY
Share Draft/Checking (paid on average balance of $300 or more)	0.05% APY
Individual Retirement Accounts (IRAs)	0.05% APY
12-month Share Certificates	Call for rates

NCUA | EQUAL HOUSING LENDER | Van Cortlandt Cooperative Federal Credit Union

2019 STATEMENT OF FINANCIAL CONDITION

BALANCE SHEET	12/31/2019	12/31/2018
ASSETS		
Member Loans	16,202,719	20,160,076
Cash	339,081	335,302
Investments	42,649,676	42,293,731
Fixed Assets / Leasehold Improvements	39,261	117,844
Accrued Investment Income	161,081	130,843
Other Accrued Income	57,524	92,913
Other Assets	2,241,988	3,325,211
TOTAL ASSETS	**61,691,330**	**66,455,920**
LIABILITIES, SAVINGS & EQUITY		
Dividends Payable	147,576	149,908
Other Liabilities	99,526	98,523
Member Savings & Checking	43,875,653	45,602,705
Member Share Certificates	7,400,267	8,446,463
Member IRA Accounts	6,571,375	7,328,578
Reserves & Undivided Earnings	4,268,044	4,829,743
Accumulated Unrealized Income(Loss)	-671111	0
TOTAL LIABILITIES, SAVINGS & EQUITY	**61,691,330**	**66,455,920**

STATEMENT OF INCOME	12/31/2019	12/31/2018
INCOME		
Interest on Loans	885,662	933,136
Income from Investments	812,023	775,088
Income from Credit Cards	119,271	115,390
Fees, ATM, & Miscellaneous Income	218,188	227,229
Rebate on Borrower's Insurance	11,171	52,973
Income from Virtual Branch	90	7
TOTAL INCOME	**2,046,405**	**2,103,823**
EXPENSES		
Employee Compensation & Benefits	497,437	470,142
Committee & Conference Expense	6,462	0
League Dues	0	0
Rent	58,781	55,972
Office Operations	375,224	368,336
Loan Servicing	36,062	38,954
Professional & Outside Services	107,241	102,322
Share & Loan Insurance	0	0
Federal Supervision Fees	18,096	18,297
Education & Promotion	15,314	13,654
Virtual Branch Expense	73,408	70,041
Cash Short	290	(242)
Non-Operating Expenses	1,757,830	46,286
TOTAL EXPENSES	**2,946,145**	**1,183,762**
EXCESS OF INCOME OVER EXPENSES	**(899,740)**	**920,061**
Less: Provision for Loan & Investment Losses	219,368	787,504
NET INCOME BEFORE DISTRIBUTION	**(1,119,108)**	**132,557**
Dividends Paid To Members	114,117	141,224
Transfer to Reserves & Undivided Earnings	(1,233,319)	(8,482)

ALLOCATION OF INCOME	12/31/2019	12/31/2018
Total Expenses	**144.0%**	**56.3%**
Provision for Loan Losses	10.7%	37.4%
Addition to Reserves, Undivided Earnings	-60.3%	-0.4%
Dividends to Members	5.6%	6.7%
TOTAL	**100.0%**	**100.0%**

STATISTICAL INFORMATION	12/31/2019	12/31/2018
Number of Members	3,076	3,259
Number of Loans Granted During the Year	92	121
Dollar Value of Loans Granted During the Year	2,471,645	7,003,660

INDEPENDENT AUDITOR'S REPORT

To the Supervisory Committee and Board of Directors
of Van Cortlandt Cooperative Federal Credit Union:

We have audited the accompanying statements of financial condition of Van Cortlandt Cooperative Federal Credit Union (the "Credit Union") as of September 30, 2019 and 2018, and the related statements of income and comprehensive income, changes in members' equity, and cash flows for the years then ended. These financial statements are the responsibility of the Credit Union's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Credit Union's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Credit Union as of September 30, 2019 and 2018, and the results of its operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Sincerely,
WOJESKI & COMPANY CPAs, P.C.

PRODUCTS & SERVICES

Free Home Banking & Bill Payment
Free Mobile Check Deposit
Private Line Audio Response
Automatic Payment Services
Regular Savings (Share) Accounts
Youth Savings (Share) Accounts
Holiday and Vacation Share Accounts
Joint. Trust & Custodial Accounts
Individual Retirement Accounts (IRAs)
IRA Certificates
Share Certificates
Free Checking (Share Draft) Accounts
No-Annual-Fee VISA Credit Cards
VISA Debit/ATM Cards
Personal Loans
Share (Savings) Secured Loans
New & Used Car Loans
Debt Consolidation Loans
Line-of-Credit
Loan Overdraft
Home Equity Loans
Home Mortgages
Construction Loans
Loan Protection Insurance
Money Orders
U.S. Postage Stamps
Wire Transfers
Notary Public Service
Direct Deposit
ATM on Premises

BOARD OF DIRECTORS

Andrew Kimerling – President
Jack Spiegel – Vice President
Mirela Alexe – Secretary/Treasurer
Thomas Chartier
Saby Chico
Robert Gillman
Mae Pica

CREDIT COMMITTEE

Mae Pica – Chairperson
Jack Spiegel, Mirela Alexe

SUPERVISORY COMMITTEE

Thomas Chartier – Chairperson
Glen Fleischman, Stanley Krell

OFFICE STAFF

Mirela Alexe – Chief Executive Officer
Andrea Arroyo-Nieves – Chief Financial Officer
Shana Sullivan – Executive Assistant
Wendy Estrella – Member Services Coordinator
Ashley Herrera – Member Services Coordinator
Teresita Kamiel – Teller
Julian Polanco – Teller
Natalie Toro – Teller