



*Cultivating
Success*



FAMILY FIRST
CREDIT UNION

2022 Annual Report

MESSAGE FROM THE PRESIDENT/CEO AND CHAIRWOMAN OF THE BOARD

Cultivating Success

From our beginnings in our founder's living room through today, Family First Credit Union has always strived to help our members be successful in their financial lives. We're aware this doesn't happen overnight, and often this means cultivating that growth over time through education, developing awareness of what we offer, and letting them know we're here to help every step of the way. 2022 was another strong year at Family First as we continued to simplify our members' banking with the products and services they need to magnify their lives.

Encouraging Growth

Growing our membership is an important part of allowing us to provide financial products and services, and also helps us to expand the types of products and services we offer. For many years, our membership charter encompassed the eastern side of Monroe County but a few years ago we expanded our field of membership to the south and west. We felt that this period of growth was the perfect opportunity to introduce Diversity, Equity, and Inclusion initiatives into our business plan. By reaching out to new areas, and having our staff take part in ongoing DEI Training, we continue to grow as an institution so that we can better serve our diverse community.

Developing Member Relationships

While we are always interested in welcoming new members to the Family, we know how important it is to grow the relationships we have with our existing members by being there for them when they need us. Each year we look to grow our product offerings and services to meet our member's needs. We saw continued interest in our one-on-one licensed financial counseling services, offered competitive certificate rates throughout the year, introduced a more robust credit card points service, and implemented a referral program that rewards our members up to \$250 for telling their friends and family about us.

Nurturing Employees

Without our employees, we wouldn't be able to do the things we do for our members. They are the life's blood of the Credit Union and we are so proud of the work they do. We were excited to announce that Family First was once again selected by the Rochester Democrat & Chronicle as a Top Workplace for 2022, and that is all because of our employees. In 2022, we also introduced the Outreach Committee, a group of employees whose mission is to strengthen our brand of family both internally and externally. They plan staff appreciation events and gatherings as well as coordinate participation and donations to community causes that are close to our employees' hearts. Even in their first year, they have made an immediate impact.

While we announced two retirements in 2022 - Mary Cicero, a 26 year employee from our Accounting Department, and Tom Confer from our Mortgage Department, we are also excited that so many of our employees celebrated multi-year anniversaries with us. Having this longevity leads to providing our members with an exceptional experience. To reinforce these themes, we added a Member Service training position that will onboard new employees and provide continual training to current branch employees.



TOM DAMBRA
President/CEO



BARBARA MOEHLE
Chairwoman of
the Board

Technology For Every Need

Technology moves in leaps and bounds. It wasn't long ago when the thought of doing your banking on a phone would seem like science fiction. But now, it's second nature for people to handle their finances from a smartphone, tablet, or laptop. Family First always works hard to provide our members with new and convenient banking technology that has been vetted for security and safety. In 2022 we rolled out MessagePay, a service that allows members to pay their loans from accounts at other financial institutions using text messaging and an easy, secure web portal. We also adopted a new phone system that allows us to call, text, and fax from an app that can be used on our computers or smartphones. Taking what we learned during COVID, we've put into place secure ways for our employees to work remotely when appropriate, allowing them to improve their work/life balance. Family First members can be assured that we will continue to upgrade our technology services as more become available. Our goal will always be to provide you with a convenient, secure way to do your banking with us.

Giving Back

Without the communities and neighborhoods that we serve, we wouldn't be able to do what we do, and we are delighted to give back to local causes through both financial contributions and our time. Thankfully, many of the events and sponsorships that had been canceled the past few years due to COVID have made a comeback in 2022. These are just a few of the causes that we supported during the year: Camp Haccamo, the Monroe County Family Coalition, the Northeast Kidney Foundation, the Penfield Senior Bash, the Webster Comfort Care Home, and the Rush Henrietta Athletic Association 5K. Additionally, as part of our member appreciation donations, we allocated funds to the Hope Lodge to provide special dinners for cancer patients undergoing treatment throughout the year, as well as Artists Unlimited and the Challenger Miracle Field in Webster.

Yearly Financials

2022 was another strong year financially for our Credit Union. It is thanks to our loyal members and dedicated staff that we were able to achieve these results. Our asset size increased to \$307.3 million, rising by 9.5%. Our loan volume grew by 13.1% to \$254.6 million. Our member share deposits ended the year at \$234.8 million, growing 13.4% from last year. With a net worth ratio of 10.43%, we were able to sustain the overall strength of the credit union.

Looking Ahead

We are excited for all that 2023 holds for Family First! While there has been some recent turmoil in the banking industry, our financial standing is secure and our member deposits are safe. We have plans to introduce new checking and savings bundles that will offer high interest rates and cash back on debit transactions, grow our commercial loan portfolio, and continue to introduce technology solutions to make our members' lives easier.

Your success is our success, and we strive to help you achieve the things you want in life as best we can. Know that Family First is always here to help you grow financially and to cultivate the success to which you aspire. Thank you for your membership and we hope you have a wonderful 2023.

Sincerely,



Tom Dambra
President/CEO



Barbara Moehle
Chairwoman, Board of Directors

STATEMENT OF INCOME

FOR THE YEARS ENDING DECEMBER 31, 2022 & 2021

	<u>2022</u>	<u>2021</u>
INTEREST INCOME		
LOANS TO MEMBERS	\$10,936,730	\$9,558,031
INVESTMENTS	\$684,401	\$552,600
TOTAL INTEREST INCOME	\$11,621,131	\$10,110,631
INTEREST AND DIVIDEND EXPENSE		
DIVIDENDS ON MEMBER AND NON-MEMBER DEPOSITS	(\$1,022,899)	(\$617,688)
INTEREST ON BORROWED FUNDS	(\$280,726)	(\$318,627)
TOTAL INTEREST AND DIVIDEND EXPENSE	(\$1,303,625)	(\$936,315)
NET INTEREST INCOME BEFORE PROVISION FOR LOAN LOSSES	\$10,317,506	\$9,174,316
PROVISION FOR LOAN LOSSES	(\$299,981)	(\$46,184)
NET INTEREST INCOME AFTER PROVISION FOR LOAN LOSSES	\$10,017,525	\$9,128,132
NON-INTEREST INCOME		
FEES, CHARGES AND OTHER OPERATING INCOME	\$2,652,256	\$3,465,262
NON-INTEREST EXPENSES		
COMPENSATION AND BENEFITS	\$5,390,647	\$5,052,463
OFFICE OCCUPANCY AND OPERATIONS	\$2,716,956	\$2,609,878
PROFESSIONAL AND OUTSIDE SERVICES	\$1,507,625	\$1,435,096
FEDERAL OPERATING FEE	\$25,254	\$25,664
ASSOCIATION DUES	\$46,299	\$54,883
TOTAL NON-INTEREST EXPENSES	\$9,686,781	\$9,177,984
NET INCOME	\$2,983,000	\$3,415,410

STATEMENT OF FINANCIAL CONDITION

AS OF DECEMBER 31, 2022 & 2021

	<u>2022</u>	<u>2021</u>
ASSETS		
CASH ON HAND	\$2,419,594	\$1,744,319
OVERNIGHT DEPOSITS AT FINANCIAL INSTITUTIONS	\$413,634	\$5,601,668
INVESTMENTS IN CERTIFICATES OF DEPOSIT	\$5,216,891	\$3,984,000
INVESTMENT SECURITIES AVAILABLE FOR SALE	\$27,378,903	\$27,821,497
LOANS TO MEMBER, NET	\$254,802,635	\$224,961,879
ACCRUED INTEREST RECEIVABLE	\$1,072,596	\$880,777
CAPITAL SHARES OF CORPORATE CREDIT UNIONS	\$300,000	\$300,000
FHLB Stock	\$507,500	\$792,500
CASH VALUE OF INSURANCE ANNUITY INVESTMENT	\$3,406,583	\$3,316,247
PREPAID EXPENSES AND OTHER ASSETS	\$5,070,020	\$4,225,467
PROPERTY AND EQUIPMENT, NET	\$2,509,599	\$4,878,631
NCUSIF DEPOSIT	\$4,296,347	\$2,205,571
TOTAL ASSETS	\$307,394,302	\$280,712,556
LIABILITIES AND MEMBERS' EQUITY		
~LIABILITIES		
MEMBER AND NON-MEMBER DEPOSITS	\$266,500,166	\$236,546,292
BORROWINGS	\$10,100,000	\$13,173,800
ACCRUED DIVIDENDS PAYABLE	\$129,458	\$31,761
ACCOUNTS PAYABLE, ACCRUED EXPENSES, AND OTHER LIABILITIES	\$2,591,712	\$2,187,557
TOTAL LIABILITIES	\$279,321,366	\$251,939,410
~MEMBERS' EQUITY		
REGULAR RESERVE	\$2,451,043	\$2,451,043
UNDIVIDED EARNINGS	\$29,598,448	\$26,615,448
ACCUMULATED OTHER COMPREHENSIVE INCOME	(\$3,976,525)	(\$293,345)
TOTAL MEMBERS' EQUITY	\$28,072,966	\$28,773,146
TOTAL LIABILITIES & MEMBERS' EQUITY	\$307,394,302	\$280,712,556

SUPERVISORY COMMITTEE MESSAGE



HUGH FRANKLIN
Chairman of the Supervisory Committee

The basic function of the Supervisory Committee is to monitor the safety and soundness of the

Credit Union. In short, to make sure your funds are secure. We do that by conducting a series of reviews and audits to validate various facets of the Credit Union that include: audits of loan files, surprise cash counts at the teller line, cash counts of the vault, and verification of closed accounts.

The committee also reviews internal controls such as operational and financial standards, financial statements, the external auditor's report, maintenance of internal controls, and verification of the investment holdings of the Credit Union. In addition, we are responsible for overseeing the financial reporting process to all governmental agencies and ensuring that management has established an effective structure of internal controls. We have engaged an "internal" auditor to assist us with this process.

We are also in charge of scheduling and monitoring an audit by a certified public accounting firm.

We have contracted with The Bonadio Group to conduct an audit of the Credit Union's financial records and system of internal controls as of December 31, 2022. The auditors report directly to the Board of Directors and Supervisory Committee on any findings. We are pleased to announce that again this year there were no adjustments recorded or material weaknesses identified.

The current Supervisory Committee members include: Hugh Franklin, Chairman; Mary Cicero, Greg Evershed and Katherine VanBramer.

To contact the Committee, you may write to us at PO Box 25393, Rochester, NY 14625 or e-mail us by going to www.familyfirstny.com, clicking on "Contact Us" and submitting the form.

THE 2023 LEN SZUMILOSKI SCHOLARSHIP

We're proud to award the Sixteenth Annual Len Szumiloski Scholarships in the name of our former Family First/Penfield Federal Credit Union President and CEO from 1972 to 1997. Len passed away in 2005, but his spirit lives on in the Credit Union's love for the community and the people it serves.

We hope that through these scholarships, we can help young people spend more time focusing on their education and magnifying the lives they will lead as they grow into adults. *"You're never too old to start learning and never too young to aim high and achieve great things"* ~ Asa Hutchinson. Our hope is that all members of our community strive to learn and grow not just financially, but as people.

Three student members were selected for the 2022-23 academic year, based on their essay submissions, scholastic records, extracurricular activities and community involvement. We are pleased to award \$1,000 scholarships to Joseph Coyle from Penfield High School, Elijah Delgado from East High School, and Jamie Ganon from Fairport High School.

Congratulations & Good Luck
In Your Future Endeavors!



JOSEPH COYLE
Penfield High School



ELIJAH DELGADO
East High School



JAMIE GANON
Fairport High School

FAMILY FIRST IS PROUD TO SUPPORT OUR COMMUNITY

One way we like to thank the communities we serve is through Family First staff and management participating in activities that support those communities. As a local financial institution, our employees live in the same neighborhoods our members do, and we are happy to help and demonstrate our commitment to East Rochester, Greece, Henrietta, Penfield, Webster, and the Greater Rochester area.



Donating to the Ronald McDonald House Charities of Rochester.



Cleaning up in East Rochester on the United Way Day of Caring.



Dropping off donations to the Verona Animal Shelter.



Supporting the Buffalo community with Choose Love shirts.



Providing school supplies for the Salvation Army.



Sponsoring a local golf tournament.

THANK YOU

We want to take this opportunity to thank you for your membership. You trust us with your finances and we take this responsibility very seriously. Know that we will always be here for you to simplify your banking so you can magnify your life.

THANK YOU TO OUR EMPLOYEES CELEBRATING THEIR ANNIVERSARY WITH FAMILY FIRST WE APPRECIATE ALL YOU DO.



MARY WOJNOWSKI
Consumer Lending
25 Years



JODI ARBOGAST
Consumer Lending
15 Years



JOE CELLURA
Information Technology
15 Years



EILEEN WOLANSKI
Human Resources
15 Years



ANDREA COSTANZO
Accounting
10 Years



STEVE O'REILLY
Information Technology
10 Years



RENÉ BURNS
Collections
5 Years



STEVEN SHEER
Commercial Lending
5 Years

FAMILY FIRST OF NY FEDERAL CREDIT UNION

Governance

THOMAS DAMBRA, *President/CEO*

BOARD OF DIRECTORS

BARBARA MOEHLE, *Board Chair*

THOMAS COMBS, *Vice-Chair of the Board*

HUGH FRANKLIN, *Secretary/Treasurer*

JAMES COSTELLO

DONNA DEDEE

RYAN PAYMENT

MARK SANSOUCI

Contact Us

585.586.8225 | www.familyfirstny.com

Locations

East Rochester | 375 Fairport Road

Greece | 1110 Long Pond Road | Country Village Plaza

Henrietta | 1225 Jefferson Road | Frontier Commons

Penfield | 2520 Browncroft Boulevard

Webster | 850 Ridge Road

Hours

Monday, Tuesday, Thursday:

9:00 a.m. – 4:30 p.m. | Henrietta 10:30 a.m. – 3:30 p.m.

Wednesday:

10:00 a.m. – 4:30 p.m. | Greece: 10:30 a.m. – 4:30 p.m.

Henrietta 10:30 a.m. – 3:30 p.m.

Friday:

9:00 a.m. – 5:00 p.m. | Henrietta 10:30 a.m. – 3:30 p.m.

Saturday:

9:00 a.m. – 1:00 p.m. | Penfield Only

