



GUTHRIE
COMMUNITY
CREDIT UNION

20 23

ANNUAL MEETING

GUTHRIE COMMUNITY FEDERAL CREDIT UNION

45th Annual Meeting

**Main Office – 104 N. Elmer Ave.
Sayre, PA 18840
May 18, 2024**

Call meeting to order at 5:30 p.m.

Introductions – Board of Directors, Supervisory
Committee and Management Team

Secretary's Report

Highlights & Overviews of Other Reports

Questions from the Floor

Approval of All Reports from the Floor

Nominating Committee Report

Meeting Adjourns

Dinner / Dessert & Prizes



2022 ANNUAL MEETING MINUTES

The Guthrie Community Credit Union's **44th Annual Meeting** was held on **Wednesday, May 24, 2023**, at the main office located at 104 N. Elmer Ave., Sayre, PA.

John Savelli, President/CEO, called the meeting to order at 5:00 p.m. and welcomed all the members in attendance. Mr. Savelli then acknowledged Roberta Sabitus-Place as acting Secretary. Mr. Savelli noted that there was a quorum present. Mr. Savelli proceeded to introduce the Board of Directors, Supervisory Committee and members of the management team.

Mr. Savelli then referred to the **Secretary's Report from 2022**. With there being no changes, Mr. Savelli asked for a motion to dispense with the reading of the prior year's minutes. Richard Tauber made a motion to dispense with the reading of the prior year's minutes and accept them as presented. The motion was seconded by Tim Hickey. The motion carried unanimously.

Mr. Savelli then provided overviews of the **Chairman's and President's Report** and reflected on 2022 as another successful year. Mr. Savelli summarized our financial performance, NCUA's approval of our merger application with Solutions FCU, reinvestment of our capital gains into new equipment and ATMs and our support of various charitable, community and civic organizations.

Mr. Savelli then referred the members to the **Treasurer's Report** and the corresponding Balance Sheet and Income Statements. Mr. Savelli noted that Guthrie's financial strength continued through 2022, as evidenced by our strong equity gains of **\$796,395**, which were attributed to an increase in net income. Assets ended the year at \$103.1 million, and the credit union maintained a "**well capitalized**" position as defined by NCUA regulations. Mr. Savelli then thanked Treasurer Bernie Smith and the other Finance Committee

members, Heather Vail and Arthur Field, for their service.

Mr. Savelli then referred the members to the **Supervisory Committee's Report** and summarized the committee's responsibilities and duties. John noted the Annual Audit was conducted by Wojeski & Co., LLP, CPAs and showed the credit union in good standing and in agreement with NCUA guidelines. Wojeski also completed the credit union's Bank Secrecy Act Audit and Automatic Clearing House Audit. The external audit results found the credit union in compliance with all NCUA rules and regulations.

Mr. Savelli concluded by thanking the board, volunteers, members and staff for their continued support. Mr. Savelli then asked if there were any questions from the floor.

Mr. Tauber asked if IT costs were expected to increase due to new regulations. Mr. Savelli noted that yes, due to continued cyber threats and new regulations – and in order to stay in compliance – we would expect that these expenses would continue to increase. With there being no other questions from the floor, Mr. Savelli then asked for a motion to accept all of the reports. **A motion was made by Art Field to accept all the reports and seconded by Kate Bonning. The motion carried unanimously.**

Mr. Savelli then referred to the **Nominating Committee's Report** and noted the committee members and the slate of directors up for re-election. Mr. Savelli then asked the acting Secretary, Mrs. Sabitus-Place, to cast one ballot for the slate of directors. Mrs. Sabitus-Place so moved.

The meeting was adjourned by Mr. Savelli at 5:20 p.m.

Arthur N. Field
Chairman of the Board



CHAIRMAN'S & PRESIDENT'S REPORT

Welcome to Guthrie Community Credit Union's **45th** Annual Meeting. Our commitment to providing our members with the best products and services, along with sound financial guidance, remains at the forefront of everything we do. Despite the economic headwinds, which included Fed rate increases and persistent record inflation, we continued to provide the most competitive loan and deposit rates in the area. This was evident as we were recognized as the "Best Bank/Credit Union" in the Morning Times 2023 Readers' Choice Awards.

Reflecting on 2023, Guthrie Community Credit Union had a successful year. From a financial perspective, the credit union performed very well. The credit union's financial position remained strong as we increased our net worth by **\$826.4K** on assets of **\$105.8 million** as of December 31, 2023. We are proud to offer the most competitive certificate and loan rates in the area, presenting an excellent opportunity for our members to maximize their earnings.

The safety and soundness of Guthrie Community Credit Union continues to be steadfast, fortified by a strong capital position, low delinquency and sound underwriting decisions.

We had several accomplishments during this past year, including a new coin machine for the Sayre, PA, main office location and new ATMs at the Guthrie Clinic – Bird Summer Lobby and Troy, Towanda and Corning hospitals.

Guthrie Community Credit Union's philosophy to support charitable

community and civic organizations remains steadfast. Since 2019, the Guthrie Community Credit Union Endowed Scholarship through the Community Foundation for the Twin Tiers has provided two \$1,000 scholarships every year. We will continue to build this scholarship and support the educational and financial needs of our local high school students.

Guthrie Community Credit Union was a proud supporter of various Guthrie Clinic events, including the Turkey Trot, Guthrie Gala, Guthrie Gallop and Golf for Guthrie. We also supported the Troy Fair and 4-H livestock sale, Martha Lloyd, the Scholarship Challenge, Sayre Historical Society, Children's Miracle Network, Bowl Over Cancer and The Bridge of Penn-York Valley Churches. We also held our very popular Member Appreciation and International Credit Union Day®, which featured various prizes, lunch and confidential shredding to keep your personal information safe and secure.

We are fortunate to be part of a community that is so focused on caring and giving back, and we want to extend a "thank you" to all our members for their continued support.

On behalf of the entire Board of Directors, Supervisory Committee and GCCU's dedicated employees, thank you for your continued membership and support in making 2023 another successful year.

Respectfully submitted,

Arthur Field
Chairperson

John Savelli
President/CEO

TREASURER'S REPORT

Fiscal Year-End 2023

Guthrie Community Credit Union continues to report strong financial results to the membership while expanding the quality of its services and adding new and upgraded equipment for the membership to utilize. From a financial perspective the overall results were positive, with an increase in deposits, loans and capital during the year.

Assets ended the year at \$105.8 million, which represents an increase of \$2.7 million. Deposits totaled \$98.8 million, which represents a \$1.9 million increase over prior year end. Loans to members totaled \$51.7 million, which represents an increase of \$1.8 million, or 3.60%. We also maintained our credit quality with a delinquency ratio of 0.88% at year end, which compared favorably to our NCUA peer group.

The strong equity gains of \$826,426 are attributable to an increase in earnings. Net interest income increased by \$92,852, or 3.16%, and is attributed to the Federal Reserve rate increases during 2023.

Total net fee, other and non-operating income (expense) increased by \$198,027. Fee income and other increased by \$11,264.32, or 0.92%, with no change to our fee structure during the year. Losses on the sale of repossessed autos increased from (\$8,562) in 2022 to (\$13,460) in 2023. Donation expenses increased from \$8,562 in 2022 to \$10,205 for the current year. Non-operating income increased from the repayment of all merger-related expenses in the amount of \$211,676 from Solutions FCU.

Total operating expenses increased by \$206,981, or 6.33%, over the prior year. Salaries and benefits increased by \$95,638 and \$29,734 respectively. Salary increases attributed to planned increases and accruals tracked to year-end budget projections. Benefits costs increased due to market increases in health and other insurance benefits premiums and tracked under budget expectations. Remaining expense increases, amounting to \$81,609, or 4.7%, are attributed to normal operating costs, information technology and cyber regulatory-related compliance costs.

The provision for loan loss totaled \$153,563, which represents an increase of \$53,868 and is attributed to an increase in charge-offs within the new and used car portfolios.

Members' equity generated a return on assets of 0.78%, which was above our NCUA peer group. The credit union remains "well capitalized" as measured by NCUA, with a net worth ratio of 11.49%, which increased by 29 basis points over statement dates.

The Board of Directors and management are committed to sound financial management, fiscal responsibility and superior member service to ensure that the Guthrie Community Credit Union remains financially sound and secure for the upcoming calendar year and many years to come.

Respectfully submitted,

Bernard L. Smith
Treasurer

BALANCE SHEET

For the Year Ended 12/31/23

Assets	12/31/22	12/31/23
Cash and Cash Equivalents	\$976,119	\$1,184,221
Loans to Members (Net)	\$49,856,870	\$51,721,061
Allowance for Loan Loss	\$(170,000)	\$(317,770)
Net Loans	\$49,686,870	\$51,403,291
Investment Securities	\$48,944,605	\$49,659,097
Accrued Interest Receivable	\$173,004	\$211,554
NCUSIF Deposit	\$928,145	\$963,742
Property and Equipment (Net)	\$2,197,769	\$2,169,533
Prepaid Expenses and Other	\$229,739	\$232,708
Total Assets	\$103,136,250	\$105,824,146
Liabilities		
Share and Club Accounts	\$44,247,013	\$40,027,726
Share Drafts	\$16,437,710	\$15,353,992
Money Market	\$12,680,874	\$9,626,173
Certificates of Deposit	\$23,552,170	\$33,769,582
Accrued Expenses and Other Liabilities	\$382,687	\$351,030
Total Liabilities	\$97,300,453	\$99,128,504
Equity		
Other Reserves	\$(5,712,875)	\$(5,468,808)
Regular Reserves	\$363,927	\$363,927
Undivided Earnings	\$11,184,745	\$11,800,524
Total Members' Equity	\$5,835,798	\$6,695,643
Total Liabilities and Members' Equity	\$103,136,250	\$105,824,146

INCOME STATEMENT

For the Year Ended 12/31/23

Interest Income	12/31/22	12/31/23
Interest on Loans	\$2,622,734	\$3,090,409
Interest on Investments	\$735,397	\$1,144,793
Total Interest Income	\$3,358,131	\$4,235,202

Interest Expense		
Dividends	\$423,534	\$1,207,753

Net Interest Income	\$2,934,597	\$3,027,450
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Fees & Other Income	\$1,229,314	\$1,427,341
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Operating Expenses		
Compensation and Benefits	\$1,552,599	\$1,677,970
Travel and Conferences	\$6,188	\$11,033
Office Occupancy	\$161,339	\$170,242
Office Operations	\$342,728	\$361,016
Advertising and Promotions	\$102,977	\$109,157
Loan Servicing	\$133,399	\$136,629
Professional and Outside Services	\$916,882	\$955,176
NCUA Fees and Other	\$51,708	\$53,579
Total Non-Interest Expense	\$3,267,821	\$3,474,801

Provision for Loan Loss	\$99,695	\$153,563
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Net Income	\$796,395	\$826,426
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Committee's Report

Your Supervisory Committee is made up of three volunteer members who independently evaluate the strength and soundness of Guthrie Community Credit Union's operations. The committee's oversight included a review of all new policies and procedures, new and closed accounts and overall compliance with NCUA rules and regulations.

The committee works closely with external auditors, the Board of Directors, the President/CEO and other management personnel of the credit union to ensure the assets are safeguarded by upholding all applicable regulatory policies and procedures. The committee brings a variety of professional experience to ensure conformity to NCUA rules and regulations.

For year-end 2023, the Supervisory Committee continued to retain the services of Wojeski & Co., Certified Public Accountants to perform an independent audit of the credit union's financial statements, applying agreed-upon procedures. The committee also retained Wojeski & Co. to perform quarterly audits to review operations and systems of internal controls of the credit union. The quarterly audit programs are prepared in accordance with NCUA guidelines. We are pleased to report that the audit reports reflected positive results and found the credit union to be in compliance with financial accounting standards and NCUA rules and regulations.

Based on our review of the report, the Supervisory Committee is satisfied that adequate internal controls exist to protect member accounts and that the financial statements accurately reflect the positive performance and condition of the credit union. Guthrie Community Credit Union continues to maintain a viable and sound operation based upon the findings of our external auditors, along with the committee's own observations and analysis.

The latest regulatory NCUA exam at the credit union was dated September 30, 2023, and reported an excellent review and rating.

The Supervisory Committee would like to thank the Board of Directors, the management, our President/CEO and the employees of the Guthrie Community Credit Union. We look forward to a successful 2024.

Respectfully submitted,

Gary Reeves
Chairperson

NOMINATING COMMITTEE'S REPORT

The Nominating Committee, consisting of Craig Wilhelm, Kevin Raupers and Jennifer Everson, is pleased to announce the three nominees for the Board of Directors. Directors are volunteers and serve three-year terms. The nominees are as follows:

Arthur Field – Arthur retired as President and CEO of First Heritage Federal Credit Union after more than 20 years with the organization, capping a long career in banking.

Over the course of his extensive career, he has served on the boards of several organizations, including the Corning Community College Foundation, United Way of the Southern Tier, Corning Guthrie Hospital, Corning Chamber of Commerce and Three Rivers Development. In addition, Arthur has volunteered with organizations such as the Southern Tier Library Association, Southern Tier Hospice and St. Mary Our Mother Church in Horseheads, NY. He graduated from Elmira College and has dedicated his career to community service.

Heather Vail – Heather is married to Francis “Red” Vail and lives in Sayre, PA. They have two married sons, Mark (Christina), who is a schoolteacher, and Shawn (Jennifer), who recently retired (after 30-plus years) from the United States Army with the rank of colonel. Heather and Francis have three grandsons and a granddaughter: Sean, Emma Rose, Tiernan (Ti) and Drustan (Dru). They also have a rescue dog, Jasmine (a black Lab mix), and a black cat, who sometimes answers to the name of Ebony.

Heather worked as an RN on the Obstetrical unit at Robert Packer Hospital as the manager of Labor and Delivery

and retired as the nurse manager of the department after a 41-year career. She is currently employed at the Ithaca Guthrie Clinic as a nurse in general surgery at the High-Risk Breast Cancer Clinic. Her education includes a Registered Nurse degree from the RPH School of Nursing, Certification in Obstetrical Nursing, Certification as a Perinatal Bereavement Counselor, as well as multiple management and leadership course certifications. She has been a Guthrie Community Credit Union member for 40-plus years. She has been a member of the board for many years, holding positions on the Supervisory Committee, the Personnel Committee and the Finance Committee. She was the Chairperson of the Board for multiple terms. She has attended many credit union leadership, values, management and finance courses and conferences dealing with the responsibilities required of board directors. She has enjoyed her many years of serving the membership of Guthrie.

John Detrick – John joined the credit union and became a member in 1986. He obtained an associate's degree from Mansfield University and has been employed with the Guthrie Healthcare System since 1986. John currently works in the IT Services area within Guthrie Healthcare. He has been a four-time Board Chairman of Guthrie Community Credit Union, and he is currently serving at the head of the GCCU Personnel Committee. He has served as a volunteer to Guthrie Community Credit Union in a variety of different capacities over the past 22 years. He has one daughter, who is currently attending college with future aspirations of becoming a registered nurse.

Committees & Staff

BOARD OF DIRECTORS

Arthur D. Field	Chairperson
Craig S. Wilhelm	Vice-Chairperson
Bernard L. Smith	Treasurer
Heather R. Vail	Secretary
John E. Detrick	Board Member
Roberta A. Sabitus-Place	Board Member
John M. Simonds	Board Member
Jennifer L. Everson	Board Member
Kevin J. Raupers	Board Member

SUPERVISORY COMMITTEE

Gary Reeves	Chairperson
Sharon Alamo	
Jennifer L. Everson	

GCCU STAFF

Administration

John Savelli
President & CEO

Finance Department

Megan Wilbur
V.P. of Finance

Shannon McCarty
Sr. Accountant

Lending Department

Kevin Green
V.P. of Lending

Jamie Houghton
Loan Officer

Danielle Ulrich
Loan Officer

Megan Gratkowski
Loan Officer

Lynn Chappell
Loss Prevention
Specialist

Operations

Department
Kathryn Bonning
V.P. of Operations

Elizabeth Saxon
Operations Specialist

Todd Bacon
Operations Clerk

Jennifer Heath
New Account Specialist

Naomi Gallagher
E.F.T. Coordinator

Debra Townsend
New Account /
Phone MSR

Denielle Hitchcock
MSR

Lori Kyle
MSR

Susan Huff
MSR

Tammy Tunncliff
MSR

Lacey Wolcott
BSA Officer /
Card Services

Joel Talladay
IT Support

Troy Branch Office

Halley Allen
Loan Officer

Autumn Smith
Loan Officer

Mary Krise
MSR

Penny Wheeler
MSR

Ann Carlsen
MSR

2023 EVENTS

International Credit Union Day

Sweet treats and free document shredding on International Credit Union Day on Oct. 17.



Member Appreciation Day

Celebrating Member Appreciation Day on May 22.



SAYRE

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Sayre, PA 18840
570-888-7135

TROY

454 Canton St.
Troy, PA 16947
570-297-2440

guthriefcu.org



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