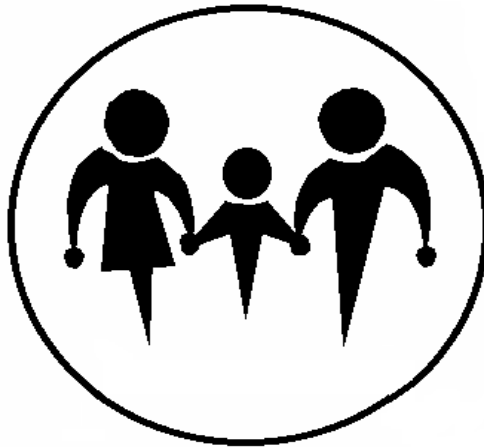


2020 ANNUAL REPORT

CELEBRATING 81 YEARS OF SERVICE



Since 1939

**Credit Union of the Berkshires
744 Williams Street
Pittsfield, MA 01201
www.cuotb.org**

PEOPLE YOU KNOW – SERVICE YOU DESERVE

**All Savings Fully Insured
National Credit Union Administration
Massachusetts Share Insurance Corporation**

OFFICERS

Beth Wallace, Chairperson of the Board of Directors and President

Matthew Kerwood, Vice Chairperson and Vice President

Karen Mc Hugh, Clerk

Melissa M. Morin, Treasurer

DIRECTORS

Janice Bates

Robert Maloy

Debra Belland

Karen McHugh

Stephen Jankowski

Melissa Morin

Matthew Kerwood

Beth Wallace

Robert Malnati

OFFICE STAFF

Melissa M. Morin, CEO

Kathleen Francoeur, Loan Officer

Amy Reese, Member Service Representative

Mary Rench, Teller

Report of the President

This annual report represents Credit Union of the Berkshires' 81st year serving Berkshire County. It is because of your active membership, loyalty, and patronage that the credit union continues to be successful year after year. Thank you for your continued support. It is an honor to serve as your Chairperson of the Board of Directors and to present the report of 2020. As we all know, 2020 has been a very challenging year for everyone, including the Credit Union.

This year, I would like to report our capital reserves for 2020 are \$2,535,995.77. We have continued to support our membership and the community offering competitive deposit and loan rates, products and outstanding service to you – our membership.

I would like to thank the Board of Directors for their continued leadership and commitment to the success of the credit union. I would like to especially thank the CEO Melissa Morin and our amazing staff Kathy, Amy, and Mary. The challenges that the staff faced this year were unprecedented, each of them worked hard to make sure our members were well served.

Thank you to OUR FRONT LINE WORKERS!

Respectfully submitted,

**Beth Wallace
Chairperson of the Board of Directors**



INCOME AND EXPENSES

| INCOME | 2020 | 2019 | 2018 |
|--|--------------------|-------------------|-------------------|
| Interest on Loans | 352,682.00 | 374,205.00 | 324,400.00 |
| Interest on Investments | 178,411.00 | 201,181.00 | 196,845.00 |
| Miscellaneous Income | 29,470.00 | 50,090.00 | 69,119.00 |
| Total Income | 560,563.00 | 625,476.00 | 590,364.00 |
| EXPENSES | | | |
| Salaries & Benefits | 269,880.00 | 274,912.00 | 292,984.00 |
| Travel & Conference | 2,654.00 | 3,305.00 | 4,321.00 |
| Assessment & Assoc. Dues | 14,652.00 | 14,652.00 | 16,273.00 |
| Office Occupancy | 45,387.00 | 43,587.00 | 48,790.00 |
| Office Operations | 100,967.00 | 101,621.00 | 87,216.00 |
| INV Amort. Expense | 9,269.00 | 2,479.00 | 0.00 |
| Educational & Promotional | 6,586.00 | 10,409.00 | 11,643.00 |
| Loan Servicing | 4,232.00 | 3,878.00 | 3,525.00 |
| Professional & Outside Serv. | 66,140.00 | 66,643.00 | 85,939.00 |
| Prov. For Loan Losses. | 43,880.00 | 26,980.00 | 38,965.00 |
| Miscellaneous | 2,908.00 | 590.00 | 2,517.00 |
| Total Operating Expenses | 566,555.00 | 549,056.00 | 592,173.00 |
| NCUSIF Expenses | 0.00 | 0.00 | 0.00 |
| Investment (Gain) Loss | 0.00 | -1,000.00 | 7,250.00 |
| Sale of Assets (Gain) Loss | (287.00) | 2,225.00 | 0.00 |
| Total Dividend Expenses | 129,909.00 | 117,750.00 | 41,592.00 |
| Total Expenses | 696,177.00 | 668,031.00 | 641,015.00 |
| Increase/(Decrease) in Reserves | -135,614.00 | -42,556.00 | -50,651.00 |

BALANCE SHEET

| ASSETS | 31-Dec-20 | 31-Dec-19 | 31-Dec-18 |
|-------------------------------------|------------------------|------------------------|------------------------|
| Cash & Check Account | \$374,436.00 | \$296,646.00 | \$287,099.00 |
| Money Market Accts | \$3,507,106.00 | \$2,766,195.00 | \$1,076,908.00 |
| Investments (Net) | \$9,775,000.00 | \$8,864,886.00 | \$9,414,659.00 |
| Corp Credit Union | \$1,817,752.00 | \$1,036,145.00 | \$845,115.00 |
| Loans | \$6,670,543.00 | \$7,372,022.00 | \$7,126,677.00 |
| Less Allow for Loan Loss - | (\$151,977.00) | (\$151,827.00) | (\$177,201.00) |
| Land | \$70,000.00 | \$70,000.00 | \$70,000.00 |
| Building (Net) | \$87,329.00 | \$100,386.00 | \$108,527.00 |
| Furn & Equip (Net) | \$16,950.00 | \$23,025.00 | \$5,716.00 |
| Prepaid Expenses | \$42,519.00 | \$58,815.00 | \$27,800.00 |
| Accrued Interest | \$42,197.00 | \$69,239.00 | \$58,371.00 |
| Int Loan Participation pur | \$538.00 | \$607.00 | |
| Other Assets in Repo | \$1,749.00 | | |
| NCUA Deposit | \$178,811.00 | \$162,565.00 | \$169,260.00 |
| Fiserv Settlement Deposit | \$15,000.00 | \$15,000.00 | \$15,000.00 |
| Total Assets | \$22,447,956.00 | \$20,683,704.00 | \$19,028,431.00 |
| | | | |
| LIABILITIES | | | |
| | | | |
| Share / Checking | \$2,654,974.00 | \$1,988,994.00 | \$2,025,567.00 |
| Money Market | \$7,164,208.00 | \$6,520,675.00 | \$7,579,651.00 |
| Shares | \$4,727,951.00 | \$3,782,557.00 | \$3,570,691.00 |
| Cert. of Deposits | \$3,817,072.00 | \$4,110,768.00 | \$1,643,490.00 |
| Club Accounts | \$133,551.00 | \$98,381.00 | \$118,957.00 |
| IRA's | \$1,423,909.00 | \$1,523,209.00 | \$1,395,267.00 |
| Accounts Payable | \$26,779.00 | \$13,994.00 | \$17,128.00 |
| Total Liabilities | \$19,948,444.00 | \$18,048,579.00 | \$16,350,751.00 |
| | | | |
| EQUITY | | | |
| | | | |
| Regular Reserve | \$501,997.00 | \$501,997.00 | \$501,997.00 |
| Undivided Earnings | \$1,997,515.00 | \$2,133,128.00 | \$2,175,683.00 |
| | | | |
| TOTAL EQUITY | \$2,499,512.00 | \$2,635,125.00 | \$2,677,680.00 |
| | | | |
| TOTAL LIABILITIES AND EQUITY | \$22,447,956.00 | \$20,683,704.00 | \$19,028,431.00 |

INCOME

| | 2020 | 2019 | 2018 |
|--------|---------------------|---------------------|---------------------|
| Income | <u>\$560,563.00</u> | <u>\$625,475.00</u> | <u>\$590,364.00</u> |

DISTRIBUTION OF INCOME

| | | | |
|---------------------|----------------------|---------------------|---------------------|
| Expenses | \$296,388.00 | \$275,369.00 | \$306,439.00 |
| Salaries & Benefits | \$269,880.00 | \$274,912.00 | \$292,984.00 |
| Dividends | <u>\$129,909.00</u> | <u>\$117,750.00</u> | <u>\$41,592.00</u> |
| Total | \$696,177.00 | \$668,031.00 | \$641,015.00 |
| Non Operating Loss | \$0.00 | \$0.00 | \$0.00 |
| Reserves | <u>-\$135,614.00</u> | <u>-\$42,556.00</u> | <u>-\$50,651.00</u> |
| Total Distribution | <u>\$560,563.00</u> | <u>\$625,475.00</u> | <u>\$590,364.00</u> |

KEY RATIOS

| | | | |
|-------------------------|--------|--------|--------|
| Expenses to Income | 52.87% | 44.02% | 51.90% |
| Salaries to Income | 48.14% | 43.95% | 49.60% |
| Dividends to Income | 23.17% | 18.82% | 7.00% |
| Reserve to Total Assets | 11.29% | 12.74% | 14.00% |
| NOL to Income | 0.00% | 0.00% | 0.00% |
| Loans to Deposits | 32.72% | 40.85% | 43.60% |

INCOME & EXPENSES

| <u>Year</u> | <u>Gross Income</u> | <u>Total Expenses</u> | <u>%</u> | <u>Total Distribution After Dividends</u> |
|-------------|---------------------|-----------------------|----------|---|
| 2020 | \$560,563.00 | \$696,177.00 | 124% | \$430,654.00 |
| 2019 | \$625,475.00 | \$668,031.00 | 107% | \$507,726.00 |
| 2018 | \$590,364.00 | \$641,051.00 | 108% | \$548,772.00 |

PRESIDENTS

| | |
|--------------------|-----------|
| Elmer Brigham | 1939-1939 |
| Harold Hennessy | 1939-1942 |
| Norman J. Holly | 1942-1943 |
| Jesse B. Haffly | 1943-1948 |
| Lawrence J. Murphy | 1948-1957 |
| Thomas F. Geary | 1957-1961 |
| Cornelius McMahon | 1961-1964 |
| John P. Leahy | 1964-1973 |
| Lawrence J. Murphy | 1973-1976 |
| Raymond Slusarz | 1976-1979 |
| Louis Green | 1979-1983 |
| David Quinlan | 1983-1989 |
| Edward Kerwood | 1989-2010 |
| Kathleen Murphy | 2010-2013 |
| Thomas Dillon | 2013-2015 |
| Beth Wallace | 2015- |

TREASURERS

| | |
|---------------------|-----------|
| Norman J. Holly | 1939-1941 |
| William P. Hayes | 1941-1943 |
| Asel W. Harvey | 1943-1984 |
| Lambert E. McGinty | 1984-1994 |
| Ozias C. Vincelette | 1994-2007 |
| Melissa M. Morin | 2007- |

Savings

Share Savings Accounts
N.O.W. Checking Accounts
Money Market Accounts
Individual Retirement Accounts
Christmas Clubs
Vacations Clubs
Certificates of Deposits

Loans

New Car and Truck
Used Car and Truck
Recreational Vehicles
Personal Loans
Home Equity Loans/Lines
Home Improvement Loans
Second Mortgages
Credit Card

Other Benefits

Personal Member Service
Home Banking
Mobile Banking
E-Bill Pay
Debit/ATM Card
Bank by Mail
Credit Counseling
Drive-Up Window
Certified Checks
Free Notary Service
Document Copying

Free Faxing
Friendly Service
Handicapped Accessible
Saturday Hours
Telephone Access
Payroll Deduction
Direct Deposit
Treasurer's Checks
Credit Disability Insurance
Credit Life Insurance
GAP Insurance

Credit Union of the Berkshires

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Pittsfield, MA 01202

(413) 443-1313

(800) 443-1314

Fax (413) 442-1124

Teller Phone (413) 443-3300

Lobby Hours: 9:00 – 4:30 (M-F); 9:00 – 12:00 (S)
Drive-up Hours: 8:30 – 5:00 (M-F); 8:30 – 12:00 (S)

WEB SITE www.cuotb.org