

Statement of Financial Condition

SCOTT ASSOCIATES CREDIT UNION, INC. Comparative Financial Statements Statement of Financial Condition		
Assets	Dec. 31, 2021	Dec. 31, 2022
Loans	\$6,318,927	\$7,747,238
Allowance for Loan Losses	(\$14,908)	(\$34,996)
Cash	\$4,761	\$9,512
Investments	\$7,032,349	\$5,484,000
Deposit Account - Cash	\$159,886	(\$106,499)
NCUSIF Capitalization	\$114,793	\$122,222
MCA2 Corp. Capitalization Acct	\$239,718	\$239,718
Accrued loan interest	\$11,172	\$14,587
All Other assets	\$44,240	\$47,287
Accrued investment income	\$4,088	\$4,604
<b>Total Assets</b>	<b>\$13,915,026</b>	<b>\$13,527,673</b>
Shares (including drafts and clubs)	\$9,834,267	\$9,304,244.00
Individual Retirement Accounts	\$965,264	\$720,305.00
Share Certificates	\$1,480,284	\$1,871,968
Other Liabilities	\$34,563	\$24,205
Statutory Reserves	\$348,782	\$348,782
Total Undivided Earnings	\$1,237,325	\$1,251,866
Net Income	\$14,541	\$6,303
<b>Total Liabilities and Net Worth</b>	<b>\$13,915,026</b>	<b>\$13,527,673.00</b>
Statement of Income and Expense	Dec. 31, 2021	Dec. 31, 2022
<b>Income</b>		
Loan Interest	\$341,205	\$360,033
Investment Income	\$56,081	\$51,002
Miscellaneous Income	\$118,753	\$125,470
<b>Total Income</b>	<b>\$516,039</b>	<b>\$536,505</b>
Total Operating Expenses	\$446,123	\$490,256
Dividends Paid	\$55,375	\$39,946
<b>Total Expenses</b>	<b>\$501,498</b>	<b>\$530,202</b>
<b>Net Income</b>	<b>\$14,541</b>	<b>\$6,303</b>

Schmidt's & Associates, Inc. examined the financial statements of the Scott Associates Credit Union, Inc. as of November 30, 2022 and a verification of accounts was conducted as of December 31, 2022. Their examination was made within generally accepted auditing standards in accordance with provisions of the Credit Union Act. In their opinion, the financial statement presents fairly the financial position of the Scott Associates Credit Union and the results of its operation, in conformity with generally accepted accounting principles.

Independent Auditor's Report



Schmidt & Associates, Inc. has been retained by the Credit Union's Board of Directors to perform an audit of the financial statements for the year ended November 30, 2021. The audit performed meets the annual regulatory requirement included in the Ohio Revised Code. The issued report includes, in part, a paragraph that reads as follows:

*In our opinion, the financial statements present fairly, in all material respects, the financial position of Scott Associates Credit Union, Inc. as of November 30, 2021, and the results of its operations and cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.*

The audited financial statements are not included in the annual report; however, they are available to the membership to be viewed at the main office located at 14111 Scottslawn Road, Marysville, Ohio 43041.

*Schmidt & Associates*

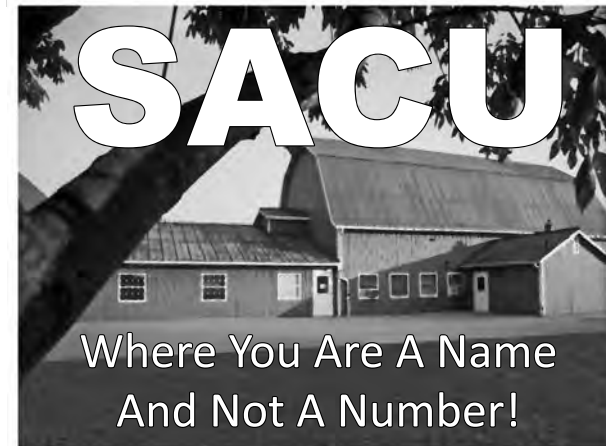
Schmidt

& Associates, Inc.

Certified Public Accountants



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# 2022 ANNUAL REPORT

ENCLOSED YOU WILL FIND:

Director's Report  
Financial Statement  
Audit Supervisory Report  
Credit Committee Report  
Treasurer's Report



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The Board of Directors and the Staff of the Scott Associates Credit Union welcome you to our virtual annual meeting!

Our credit union has had a challenging year but has been able to produce positive results for its members! This year ended with positive net income of \$6,303.05. While this amount was well below our budget expectations, the reason we fell short is largely due to excessive loan losses and higher than anticipated loan demand. In order to meet this loan demand, we had to withdraw some investments early to insure proper liquidity. The fees incurred resulted in lower year to date net income, however the interest from these loans are now benefiting the credit union with higher interest income!

**CD interest rates:** Our staff continually monitors savings rates and we have been able to significantly increase CD rates during the last quarter of 2022 and let's face it - WE NEED YOUR DEPOSITS! We offer competitive interest rates which are monitored and adjusted frequently throughout the year so keep an eye on [MYSACU.COM](http://MYSACU.COM) for our latest CD offers! Your Share accounts and CD's enable us to grow our credit union and to provide competitive loans to all members.

**Loans:** In 2022, the amount of money loaned to members exceeded \$5 million. This is a 46% increase over loan requests in 2021 so our staff has been very busy! We continue to have very competitive loan rates; especially on new and used vehicles. We have also seen many members transfer their current vehicle loans to the credit union because we have the best rates around. If you're in the market for a car or truck, please contact us!

**Membership:** There was a decline of about 2% in overall membership, resulting in a total count of 1,944 members at the end of 2022. Even though our membership numbers are lower than last year, we did gain 73 NEW MEMBERS in 2022!! Our members have been reminding their colleagues that the Scott Associates Credit Union is a great place to save and to find their next loan! Please keep spreading the word!!

**Board Members:** A big Thank You to Board Treasurer Doug Clark! Doug decided to retire from the credit union board at the end of December 2022. Board Member Joy Carmichael has agreed to replace Doug as Treasurer effective January 2023. We are also pleased to announce that Kyle Kirkpatrick has joined our Board to replace Doug. Kyle is a Scotts Associate in the HR Department and will be eligible to be elected for his own 3-year term at this meeting. His bio is available in the meeting program.

**Staff:** I'd also like to thank our credit union staff for their hard work in 2022! Karla Poling officially retired in early 2022 but stayed on to support the staff on a part time basis. This enabled our new General Manager, Nicole Jasinski, to have a smoother transition into her new role and to pick Karla's brain every chance she gets! Nicole also continues to manage our investment portfolio and collections, while Stephanie Scheiderer manages our member loans and visa account requests. Becky Breneman and Amy Frost continue keep the credit union running while providing excellent member support.

Helping members meet and exceed their financial goals is what this credit union is all about! We hope you'll continue to support this institution and to contact our dedicated, knowledgeable staff with questions.

Here's to a safe, happy 2023 for everyone!

Diane Fox Pekunka  
President, Board of Directors  
Scott Associates Credit Union

## Scott Associates Credit Union Credit Committee Report

In 2022, the Credit Union made 363 loans for a total amount of \$5,031,153.58. This averaged out to 30.25 loans at \$419,262.80 in loan volume monthly. We had 474 loan applications of which 79 were disapproved. This calculates to a disapproval ratio of 17%. In 2022, we issued 15 credit cards with total credit lines of \$81,000. We received 23 applications of which 5 were disapproved. This calculates to a disapproval ratio of 22%.

Your Credit Union continues to strive to maintain low delinquency and loan losses and have been able to successfully maintain slightly lower than our peer groups. We, as a committee, look forward to the coming year and the continued active growth of the Credit Union.

Year	Net Charge offs To Avg Loans	Avg Annual Loan Growth Rate	Total Dollars Charged off to Profit & Loss
2021	-.09%	2.65%	\$7,085.51
2022	.05%	22.64%	\$16,175.80

### TREASURER'S REPORT FOR MONTH ENDING December 31,2022

#### Financial Performance and Budget Analysis Review

The Financial Statements were reviewed by Joy Carmichael, Treasurer

#### Income Statement

Month to Date Income:	\$52,677.82	Year to Date Income:	\$536,504.68
Month to Date Expenses	\$49,986.16	Year to Date Expenses	\$530,201.63
Month to Date Net Income:	\$2,691.66	Year to Date Net Income	\$6,303.05

Annual Budget Variance:	Budgeted YTD Net Income:	\$17,003.22
	Annual Net Income Variance:	(\$4,397.12) LESS than Budget

Balance Sheet:	Total Assets	\$13,524,439.60	Total Liabilities	\$13,524,439.60
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#### Member Shares and Certificates:

Total Member Shares and Certificates w	3496	\$11,893,283.84	Average Yield	0.373%
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Total Loans:	Number	618	\$7,300,301.77	Average Rate	7.52%
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Total VISA:	Active Cards	170	\$446,544.94	Average Rate	10.57%
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Current Investments:	Number	49	\$5,484,000.00	WTD AVG Yield	0.769%
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Liquidity Ratio:	At Month End our Cash & Short-Term Investments to Assets Ratio was	14.40%
	Note: Per Policy this should be between 15% and 25%	

#### KPIs:

Loans to Assets Ratio:	57.28%	Strategic Plan Goal	60.00%
Net Charge Offs to Average Loans Ratio:	0.05%	Strategic Plan Goal	0.50%

### Membership Report:

New members by State		Re-Opened		Closed accts w/Reason	
AR	1		0	By member	2
CA	1		0	By Credit Union	1
IA	1		0	Dormant Acct	40
KY	1			Rtnd Mail	
OH	2		0	zero balance	
				Death	1
TOTAL OPEN	6	TOTAL RE-OPENED	0	TOTAL CLOSED	44

Memberships at Month End: 1944

MTD Net loss/Gain of Members (38)