

## ANNUAL PRESIDENT'S MESSAGE

February 20, 2024

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

2023 has been good to our credit union! The year ended year with positive income of \$26,566.64. Loan demand remained strong and while all interest rates have fluctuated, our staff keep a watchful eye on comparative rates to bring you the best available for your loans and investments. Interest from loans continue to benefit the credit union overall and make more money available for future loans and interest payments to our members.

**CD interest rates:** While general share account interest rates continue to be low, we have been focusing on offering short term CD interest rates that match or exceed other credit unions in our area. We will continue to offer these CD specials in the new year so members can make the most of their savings while keeping their money with us.

**Loans and Visa cards:** Our credit union members currently hold 638 loans totaling over \$8 million! They range from holiday loans to personal loans to major equipment purchases of cars, boats, farm equipment and RVs. There was a total of 169 visa cards being used by our members at year end as well.

**Membership:** Unfortunately, we continued our membership decline in 2023 by another 2%. This brings us to a total of 1903 members at year end. However, our members are using services like mobile remote deposit, electronic banking and online bill pay every day! Keeping our technology solutions safe and available to our members is a major goal of providing you with top notch service.

**Board Members:** Our board of directors hasn't changed in 2023. This year I am up for re-election along with Sherry Worstell and Joy Carmichael. All of us are officers of the board and we would like to continue our work for another 3-year term. Please see our bios in the meeting documents.

**Staff:** I'd also like to thank our exceptional credit union staff for their hard work in 2023! Nicole Jasinski wears many hats - general manager, investment portfolio manager and collections officer - and works long and hard every day for all of us! Stephanie Scheiderer and Becky Breneman work tirelessly to manage member loan and visa account requests. Amy Frost and Karla Poling provide excellent member support which continues to keep the credit union running smoothly.

Please remember that your continued membership in SACU is not contingent on being employed by Scotts and that \$5 keeps your membership in place for the future even when your employment changes. SACU exists to serve its members and to help you with sound financial choices! Please keep your membership going and consider investments and loans with us first! We hope you'll continue to support this institution and to contact our dedicated, knowledgeable staff with questions.

Here's to a safe, happy 2024 for everyone!

Diane Fox Pekunka  
Board President

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## Scott Associates Credit Union Credit Committee Report

In 2023, the Credit Union made 340 loans for a total amount of \$4,603,859.10. This averaged out to 23.33 loans at \$383,654.92 in loan volume monthly. We had 433 loan applications of which 68 were disapproved. This calculates to a disapproval ratio of 15.70%. In 2023, 20 new Visa Credit Cards were issued with total credit lines approved of \$127,900.00. We received 28 applications of which 3 were disapproved. This calculates to a disapproval ratio of 10.71%.

Your Credit Union continues to strive to maintain low delinquency and loan losses and has 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 and Loss
2022	.05%	22.64%	\$16,175.80
2023	-.27%	9.92%	\$35,867.83

### TREASURER'S REPORT FOR MONTH ENDING December 31, 2023

Meeting date: January 16, 2024

#### Financial Performance and Budget Analysis Review

The Financial Statements were reviewed by Joy Carmichael, Treasurer

#### Income Statement

Month to Date Income:	\$67,790.43	Year to Date Income:	\$698,120.81
Month to Date Expenses	\$59,700.54	Year to Date Expenses	\$671,554.17
Month to Date Net Income:	\$8,089.89	Year to Date Net Income	\$26,566.64

Annual Budget Variance:	Budgeted YTD Net Income:	\$7,357.41
	Annual Net Income Variance:	\$19,209.23

Balance Sheet:	Total Assets	\$13,966,282.82	Total Liabilities	\$13,966,282.82
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#### Member Shares and Certificates:

Total Member Shares and Certificates	3543	\$12,311,849.15	Average Yield	0.376%	
Total Loans:	Number	638	\$8,009,186.00	Average Rate	8.25%
Total VISA:	Active Cards	169	\$506,207.89		
Current Investments:	Number	43	\$4,840,000.00	WTD AVG Yield	2.207%

Liquidity Ratio:	At Month End our Cash & Short-Term Investments to Assets Ratio was	17.38%
	Note: Per Policy this should be between 15% and 25%	

#### KPIs:

Loans to Assets Ratio:	60.97%	Strategic Plan Goal	60.00%
Net Charge Offs to Average Loans Ratio:	-0.27%	Strategic Plan Goal	Not greater than 0.5%

### Membership Report:

New members by State		Re-Opened	Closed accts w/Reason		
OH	1		By member	7	
OK		2	By Credit Union		
			Dormant Acct		
			Rtnd Mail		
			zero balance	1	
			Death		
TOTAL OPENED	1	TOTAL RE-OPENED	2	TOTAL CLOSED	8

Memberships at Month End: 1903  
MTD Net loss/Gain of Members (5)

SCOTT ASSOCIATES CREDIT UNION, INC.  
Comparative Financial Statements  
Statement of Financial Condition

Assets	Dec. 31, 2022	Dec. 31, 2023
Loans	7,747,238	\$8,512,455
Allowance for Loan Losses	(34,996)	(\$55,033)
Cash	9,512	\$18,908
Investments	5,484,000	\$4,840,000
Deposit Account - Cash	(106,499)	\$212,089
NCUSIF Capitalization	122,222	\$118,601
MCA2 Corp. Capitalization Acct	239,718	\$239,718
Accrued loan interest	14,587	\$17,329
All Other assets	47,287	\$37,992
Accrued investment income	4,604	\$6,953
<b>Total Assets</b>	<b>13,527,673</b>	<b>\$13,969,012</b>
Shares (including drafts and clubs)	9,304,244	\$7,707,167
Individual Retirement Accounts	720,305	\$692,849
Share Certificates	1,871,968	\$3,914,562
Other Liabilities	24,205	\$23,935
Statutory Reserves	348,782	\$348,782
Total Undivided Earnings	1,251,866	\$1,255,150
Net Income	6,303	\$26,567
<b>Total Liabilities and Net Worth</b>	<b>13,527,673</b>	<b>\$13,969,012</b>
<b>Statement of Income and Expense</b>	<b>Dec. 31, 2022</b>	<b>Dec. 31, 2023</b>
<b>Income</b>		
Loan Interest	360,033	\$455,079
Investment Income	51,002	\$113,817
Miscellaneous Income	125,470	\$129,225
<b>Total Income</b>	<b>536,505</b>	<b>\$698,121</b>
Total Operating Expenses	490,256	\$501,781
Dividends Paid	39,946	\$169,773
<b>Total Expenses</b>	<b>530,202</b>	<b>\$671,554</b>
<b>Net Income</b>	<b>6,303</b>	<b>\$26,567</b>

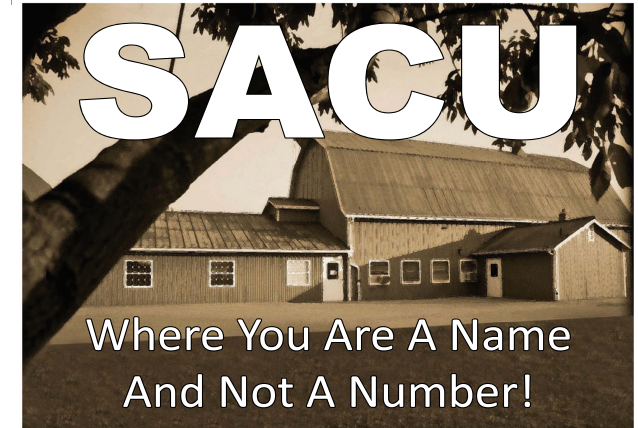
### Independent Auditor's Report

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, 2023. 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, 2023, 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



# 2023 ANNUAL REPORT

ENCLOSED YOU WILL FIND:

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

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