



STATE CS
EMPLOYEES FCU

ANNUAL REPORT

2025

Word From Our President



The investment into all the changes to occur over the next year will take us well into the future and prepare us for all the growth that we expect to continue to see.

The past year was a very good, and also a very exciting year for the credit union. In 2025, we saw asset growth of \$6.3 million (16%), one of our highest years ever. We wrote 915 new loans to members, totaling almost \$10 million, and added 172 new members. The only area where we continue to be well below our peers is loan delinquencies. This is, in part, due to our very stable field of membership, but also due to our excellent efforts to keep in contact with those that are behind in payments, and offering ways for them to continue to keep their loans in good standing.

The exciting component to the last year, a result of the great vision of our credit union's leaders, was the purchase of our first building. We have been looking for a while for a building to purchase, to replace the one we rent off State Street. And the closure of the former Walgreens at the corner of State Street and Eastern Boulevard, occurring at the perfect time, was just too much to let pass by without a serious look. So, as many of you have become aware, we took that serious look at this building, hired a firm to assess its condition and physical worth, and completed the purchase. This is a super exciting, and significant step for this credit union. We are in the design phase now, for what will become in about a year, the new center of our operations.

Our credit union's management staff and board of directors continue to set high goals for this credit union, keeping up with the industry in products offered and the latest electronic access to money and services. As we transition into a new facility, we will also be upgrading much of what is behind the scenes in our operation. The investment into all the changes to occur over the next year will take us well into the future and prepare us for all the growth that we expect to continue to see.

I would like to thank all the staff for another great year, and their outstanding service to north country public employees and City of Watertown School District employees that make up our credit union. And I also want to thank the volunteers that make up the board of directors and credit committees for their time and efforts over the past year that have continued to lead us to new heights.

A handwritten signature in black ink, appearing to read "Owen B. Virkler", written in a cursive style.



OWEN VIRKLER
Board President

2025 SUPERVISORY ANNUAL REPORT

Your Supervisory Committee works on behalf of all members to ensure that the Credit Union's assets are secure and that policies are designed to uphold safety and soundness. We act as a liaison between State Civil Service Employees Federal Credit Union's members and the Credit Union's management. The Supervisory Committee is responsible for reviewing internal controls for the purpose of safeguarding credit assets. The Supervisory Committee is also responsible for ensuring the reliability of the credit union's financial records, promoting operational efficiency, and encouraging adherence to prescribed policies. It is the duty of the Supervisory Committee to oversee the annual audit and to ensure that a report of the audit is submitted to the Board of Directors.

The committee engaged the certified public accountant, Gayle M. Schutte, CPA, to perform a certified audit and procedures related to NCUA regulations, among other attest functions. The committee evaluated any findings that were noted in these audits and followed up with management, as necessary. The required monthly, quarterly and yearly internal controls were performed by the Supervisory Committee.

Members can be assured as we continue to grow in 2026 that your funds are safe at State CS and we are committed to maintaining the high level of safety and soundness that you are accustomed to.

We wish to thank the Board of Directors, management, and staff for their cooperation throughout the year.

Respectfully Submitted,

Angela S. Decker, Chairperson, Supervisory Committee
Jacqueline S. Gagnon
Brian M. Reape



About State CS

Delivering Value to Our Members

Our commitment to delivering value remained strong throughout the year:

- Total Income reached \$3.1 million, allowing us to reinvest in better rates, services, and member experiences.
- Continued growth in certificates and money market accounts provided more savings options to help members make the most of their money.
- We returned value directly to members through dividends and competitive offerings, supporting your financial well-being.



Stronger Together

Your credit union remains financially strong and well-positioned for the future:

- Net Worth increased to \$4.27 million, ensuring long-term stability.
- Net Income rose 37%, reflecting efficient operations and responsible growth.
- Our solid capital position allows us to continue investing in new services and opportunities for members.

Mission & Vision

To empower our members to thrive in every aspect of life by providing personalized financial guidance, innovative solutions, and trusted support that make managing money simple, secure and rewarding.



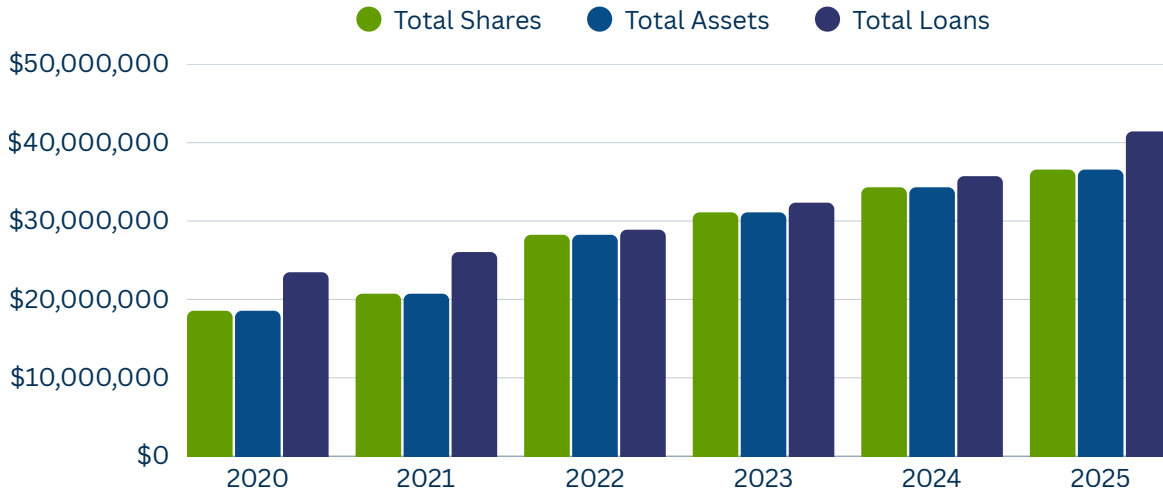
Our Mission

- Member-focused approach: We take time to understand your unique needs and support your overall financial well-being.
- Money saving solutions: Enjoy benefits like free checking with advanced card controls and fraud prevention.
- More than a credit union: We're committed to helping you thrive in every area of your life, not just your finances.
- Affordable lending options: Access low rate auto loans with flexible, extended terms to fit your budget.

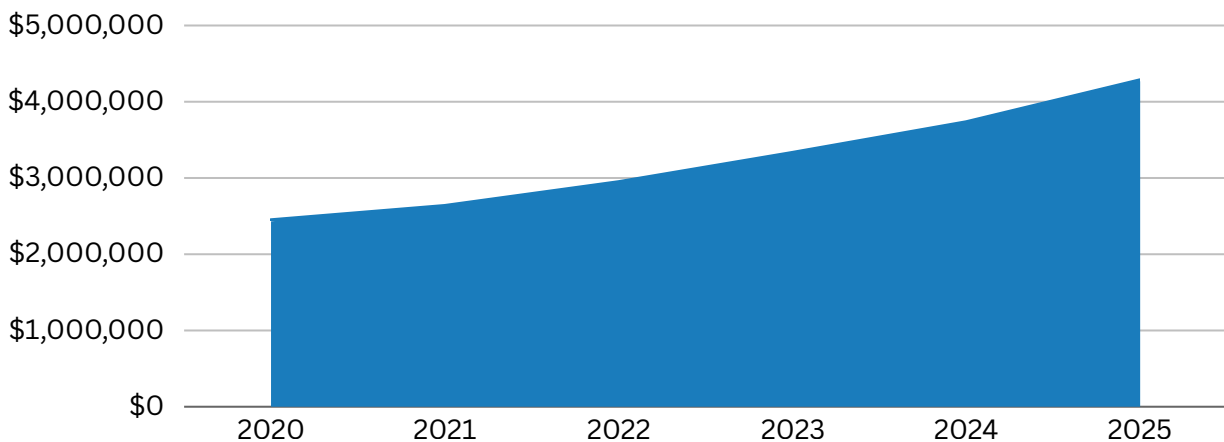
2025 Financial Highlights

State CS continued its strong growth trajectory in 2025, delivering solid financial performance while expanding its balance sheet and member base.

- Total Assets reached \$46.5 million, reflecting a 16% increase over the prior year and continued long-term growth.
- Total Loans grew to \$36.6 million, up 7%, reinforcing lending as the primary driver of earnings.
- Net Income increased to \$550 thousand, a 37% year-over-year gain, demonstrating improved profitability.
- Net Worth rose to \$4.27 million, an increase of 15%, supporting ongoing financial strength.
- The Net Worth Ratio remained stable at 9.19%, maintaining a solid capital position.



Net Worth 5 Year Progression:



The Balance Sheet

	2024	2025
Assets		
● Cash	\$2,814,409	\$5,388,373
● Land & Building	\$0	\$1,352,086
● Investments	\$2,836,000	\$2,837,000
● Loans	\$34,306,809	\$36,565,306
● CECL	\$(331,068)	\$(349,188)
● NCUA Shares Insurance	\$320,803	\$344,536
● All Other Assets	\$245,261	\$312,332
Total Assets	\$40,192,214	\$46,450,445
Liabilities and Equity		
● Accounts Payable	\$247,707	\$249,275
● Shares (Savings)	\$12,737,943	\$14,139,899
● Share Drafts (Checking)	\$4,388,515	\$4,762,046
● Term Certificates (CD's)	\$14,895,647	\$17,977,773
● Money Markets	\$3,704,369	\$4,552,962
● Corporate Deposits	\$500,767	\$500,767
● Undivided Earnings	\$3,717,266	\$4,267,723
Total Liabilities and Equity	\$40,192,214	\$46,450,445



The Income Statement

2025

Income

● Loan Interest	\$2,463,530
● Investment Income	\$188,315
● Fee & Other Income	\$425,242

Total Income **\$3,077,087**

Expenses

● Compensation	\$597,203
● Employee Benefits	\$47,584
● Employer Taxes	\$150,297
● Office Operations	\$251,872
● Debit Card Servicing	\$151,748
● Miscellaneous Operating	\$89,390
● Office Occupancy	\$12,957
● Loan Servicing & Promotions	\$115,915
● State League Dues	\$5,868
● Professional Services	\$64,118
● Education & Conference	\$106,976
● Federal Operating Fees	\$7,160
● Provision for Loan Loss (CECL)	\$74,323

Net Income before Dividends **\$1,401,676**

Dividends Paid

● Shares	\$45,373
● Term Certificates	\$682,161
● Money Markets Corporate	\$96,764
● Dividends	\$26,930

Total Dividend **\$851,228**

Net Income **\$550,458**

Meet the Board

The State CS Board of Directors is made up of a dedicated and diverse group of individuals who generously volunteer their time, experience, and passion in service to our members. Each board member brings a unique perspective, helping to guide thoughtful decisions and shape the future of our credit union.

At the helm is President Owen Virkler, whose leadership and vision help set the direction for continued success. Vice President Jean Waterbury works alongside him, offering steady support and insight as the board advances its initiatives. Secretary Robin Disbro ensures the organization remains strong and organized in its governance, while Treasurer Jim Dawson provides careful oversight of our financial well-being.

Directors James MacFarland, Thomas Boxberger, Randy Vaas, Jarrod Radley, and Barbara Cadwell each play an important role in strengthening our organization, contributing their voices and expertise to every discussion and decision.

We are also grateful for the support of alternate directors Thomas Voss and Andrew Naklick, who stand ready to step in and serve when needed. As volunteers, this committed group gives their time selflessly, working collaboratively with a shared purpose, serving our members and helping State CS grow stronger for the future.



Meet the Team

At State CS, our team is more than just a group of coworkers - we're a family. We take pride in building meaningful relationships, not only with each other but with each other's families as well. This connection creates a strong foundation of trust, support, and unity.

Our team is made up of dedicated, loyal individuals who truly believe in the credit union movement. We are passionate about what we do and driven by a shared purpose: to serve others with care, integrity, and heart. Together, we strive to make a positive impact in the lives of our members and our community every day.



JACQUELINE RAMIREZ

Chief Executive Officer

Jacqueline brings over 30 years of experience in the credit union movement, including 19 years with the organization. Since being named CEO in 2020, she has led the credit union with resilience and vision, successfully guiding the team through the pandemic while growing assets from \$19 million to \$48 million. She remains deeply committed to delivering meaningful impact for members and strengthening community relationships. Jacqueline prioritizes investing in her team and strategically positioning the credit union as a trusted, high-performing financial partner in the community.



JOCELYN RUTIGLIANO

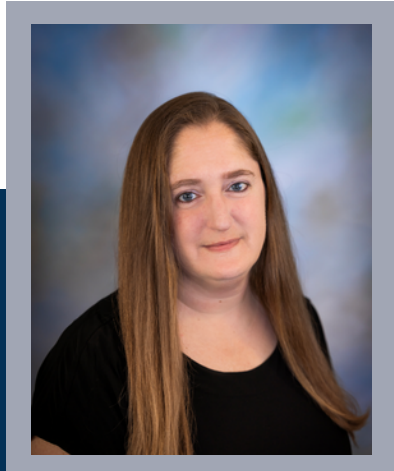
Member Service Manger

Jocelyn brings over 20 years of experience supporting the credit union movement, including 16 years with State CS. During her tenure, she has led the loan department and customer relations, playing a key role in strengthening member service and organizational growth. Her proven leadership, strategic vision, and deep commitment to the organization have led to her being identified and selected for development as a future CEO.

Jocelyn is a trusted leader with deep roots in the North Country and strong connections to the credit union's SEG groups. She is committed to delivering meaningful impact for members and the community while leading with faith, hard work, determination, and a passion for excellence.

KAYLA SCHULZ

Business Development Manager



Kayla brings 13 years of experience with the credit union, demonstrating exceptional versatility and leadership across multiple areas of the organization. Throughout her tenure, she has managed the debit card program, compliance, and served as a loan officer, building a strong foundation in operations and member service. In her current role as Business Development Manager, Kayla leads initiatives in IT, new products and services, and is overseeing the credit union's building project. She is deeply committed to delivering value for members and strengthening the organization, and is known for her tireless dedication, loyalty, and passion for excellence.



BETSY RIVERS

HR & Accounting Coordinator

Betsy joined State CS in 2019, bringing a strong background in accounting and finance from both private and local nonprofits. During her tenure, she has advanced into the role of Accounting Coordinator, where she oversees the credit union's financial operations and ensures the accuracy and integrity of financial reporting. In addition to managing the organization's books, Betsy supports internal operations by serving as a Human Resources resource for the team. Her upbeat personality, strong work ethic, and ability to connect with others have made her a natural fit for this role. Her versatility and attention to detail contribute to the credit union's overall operational effectiveness.

JACOB WIDRICK

Financial Supervisor & Marketing Coordinator



Jacob has been a dedicated team member of the credit union for seven years, demonstrating consistent growth and leadership throughout his tenure. He began as a Member Service Rep in 2019, where he successfully managed daily teller operations, before advancing to the loan department to expand his expertise in lending. After shadowing senior leadership, Jacob transitioned into a supervisory role, where he is committed to developing his team and strengthening overall performance. He has also taken initiative in mastering home equity lending, further enhancing his contribution to the organization. In addition to his supervisory responsibilities, Jacob leads the credit union's marketing efforts, playing a key role in advancing advertising strategies and community outreach.

TAYLOR DAVIS

Bookkeeper

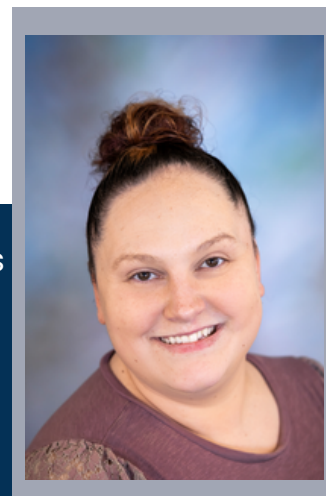


Taylor has been a valued member of the credit union since joining the State CS Team in 2019. She brought prior financial experience from another institution and quickly demonstrated her ability to grow within the organization. Taylor began as a Member Service Representative, advanced to a Loan Processor role, and ultimately found her passion in bookkeeping.

She now serves as bookkeeper, where she oversees the credit union's daily accounting functions with a high level of accuracy and attention to detail. Taylor consistently demonstrates strong commitment, dependability, and a drive for excellence, helping support the credit union's ongoing achievements.

ANNA ANDREWS

Financial Service Representative



Anna joined State CS in 2019, bringing valuable experience from her previous role as a financial service representative. Recognized for her outstanding customer service and friendly, approachable nature, she quickly became a trusted and familiar face to members.

She later transitioned into the loan department, where she has continued to grow and thrive as an integral part of the lending team. Anna's dedication, strong work ethic, and commitment to serving members make her a key contributor to the State CS team.



JANET WILCOX

Financial Service Representative

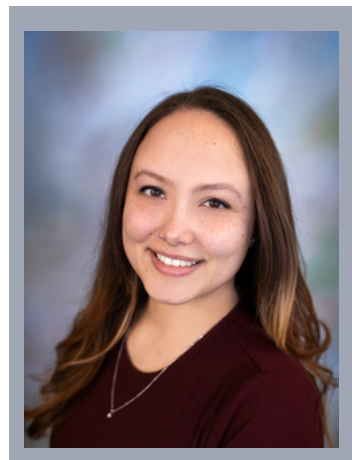
Janet joined the credit union in 2023, bringing more than a decade of experience in the financial services industry. She serves as a Financial Service Representative in the loan department, where she supports members in achieving sound financial outcomes. Janet is a Certified Financial Counselor and contributes to staff development by leading the organization's Lunch and Learn series. Her commitment to service is grounded in strong personal values, including respect, integrity, and a people-first approach.

BRADY SHANNON

Lead Member Service Representative



Brady has been a valued member of the credit union team for three years and currently serves as Lead Member Service Representative. In this capacity, she provides operational leadership on the teller line, while also managing the debit card program. Brady is expanding her expertise into compliance, supporting the organization's ongoing focus on regulatory excellence. She is recognized for her professionalism and consistent delivery of high-quality member service.



SHEILA ROBERTS

Universal Service Representative

Sheila joined the credit union in 2025 as a Universal Service Representative, supporting operations across both branch locations. She has assumed responsibilities in financial solutions and has demonstrated notable professional growth in a short period of time. Sheila's flexibility, initiative, and commitment to member service have strengthened the team and enhanced the overall member experience.

Member Feedback



T. MEHAFFY

” I have been a member for many years. I have had loans with great interest rates, as well as checking and saving accounts, and CDs with excellent rates. The staff has always been great. There’s no reason to bank anywhere else.

K. CONGDON

” Love the wonderful service and helped me with everything I needed to purchase a car out of state! Thank you!

D. VINCENT

” I love State CS.... the people, the service, the way they genuinley care about their clients... it’s like visiting family when I go there....they are the best!

E. BUSH

” The friendly staff has made every trip so pleasant. Just a phone call and a loan is going. Best in the area.



**THANK YOU FOR
YOUR MEMBERSHIP!**

MORE INFORMATION

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