



Sunmark


Sunmark[®]
C R E D I T U N I O N

2020 ANNUAL REPORT

FEDERALLY INSURED BY NCUA



Chairperson & President's Report

On behalf of the Board of Directors, President, and Sunmark staff, thank you for your patience, understanding, loyalty and, very importantly, your kindness during the pandemic in 2020. We appreciate your business and will continue to work very hard to provide you with the service and financial products you want and deserve to improve your financial well-being.

The pandemic has been and continues to be a challenge for all of us in many ways that no one could have anticipated. It is Sunmark's mission to provide a safe work environment for its staff and membership while delivering an exceptional service experience to you. Amid the pandemic the Sunmark staff rose to overcome the challenges and serve you. Your favorable survey ratings told us that you appreciated our efforts and have shown confidence in Sunmark.

Despite the challenges from the pandemic, with your uninterrupted patronage, your credit union also continued to grow and prosper which provided us the opportunities to continue fulfilling our vision to bring convenience and value to the membership. In 2020 we expanded our branch footprint by opening a new branch on Route 20 in Guilderland. We also moved our branch in Milton to a new and modern branch facility. In 2021, we will begin construction of another branch on Route 9W in Glenmont, provide an ITM® in North Greenbush, and finalize plans to open a new branch on Route 50 in Wilton in 2022.

In a joint effort with the NCUA and the New York State Department of Financial Services, Sunmark completed mergers with Columbia-Greene Federal Credit Union and Hudson River Financial Federal Credit Union, welcoming their staff and membership as part of the Sunmark community. These mergers were strategic for the credit unions to better serve their memberships with more access points and products and services while continuing their long history of providing exceptional service to its members.

Our financial condition reflects solid growth, sound oversight by the Board of Directors, and good stewardship by the leadership team. You can rest assured that your credit union is financially safe and sound.

On behalf of the Board of Directors, Supervisory Committee members, management, and more than 220 employees, please accept our sincere appreciation for your membership and the trust you place in us to be your financial advocate.

Board of Directors



EDWARD AIDALA
Chairperson



KRISTEN MYERS
Vice Chairperson



DAWN DOHERTY
Secretary



MATTHEW CUSACK
Treasurer



ANTHONY CARDONA
Director



ROBERT FORNGES
Director



DANIEL HEIM
Director



BRIAN HUGICK
Director



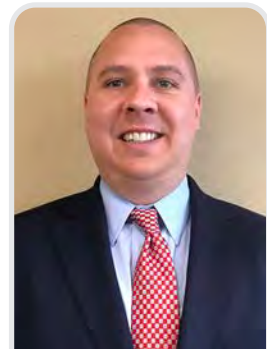
AMY JOHNSON
Director



RALPH LEBARRON
Director



PARKER POWELL
Director



MATTHEW RHODES
Associate Director

Sunmark Board Members are elected to three-year terms of office by Sunmark's membership at the annual meeting. They set future strategy, develop policies, oversee Sunmark's financial security, review the CEO's progress in achieving goals and objectives, represent the interests of the entire membership, and report to the members at the annual meeting.

In addition to attending monthly board meetings, Directors have opportunities to serve on committees and task forces and to receive free training and education on issues important to the credit union and its members. Board Members volunteer their time and talent and are not paid.



Supervisory Committee

Gene Vitullo

Chairperson

Karl Appel

Anthony Oliveira

Brett Reish

Matthew Rhodes

Committee members are appointed by the Sunmark Board of Directors on an annual basis.

The Supervisory Committee verifies credit union records, monitors financial controls and procedures, and works with Sunmark's internal auditors and external audit firm.

Committee members typically meet on a monthly basis, and have access to free training and education to help them fulfill their role.

Committee Report

Gene Vitullo, Chairperson

The Sunmark Credit Union Supervisory Committee is responsible for hiring an external audit firm to independently opine to the accuracy of Sunmark's financial statements annually. On behalf of the Supervisory Committee, it is my pleasure to report that CliftonLarsonAllen LLP issued an "unmodified opinion" (i.e., financial statements audited "present fairly" in all material respects to the consolidated financial position) on Sunmark's consolidated financial statements for the audit performed in 2020.

The Committee also hired Tyler Technologies in 2020 to perform a series of assessments that included:

- Cybersecurity Assessment,
- Information Technology Infrastructure Information Security Risk Assessment,
- Online, Mobile, and Electronic Banking Information Security Assessment,
- Configuration and Vulnerability Assessment (CAVA), and
- Comprehensive External Vulnerability Assessment and Penetration Testing.

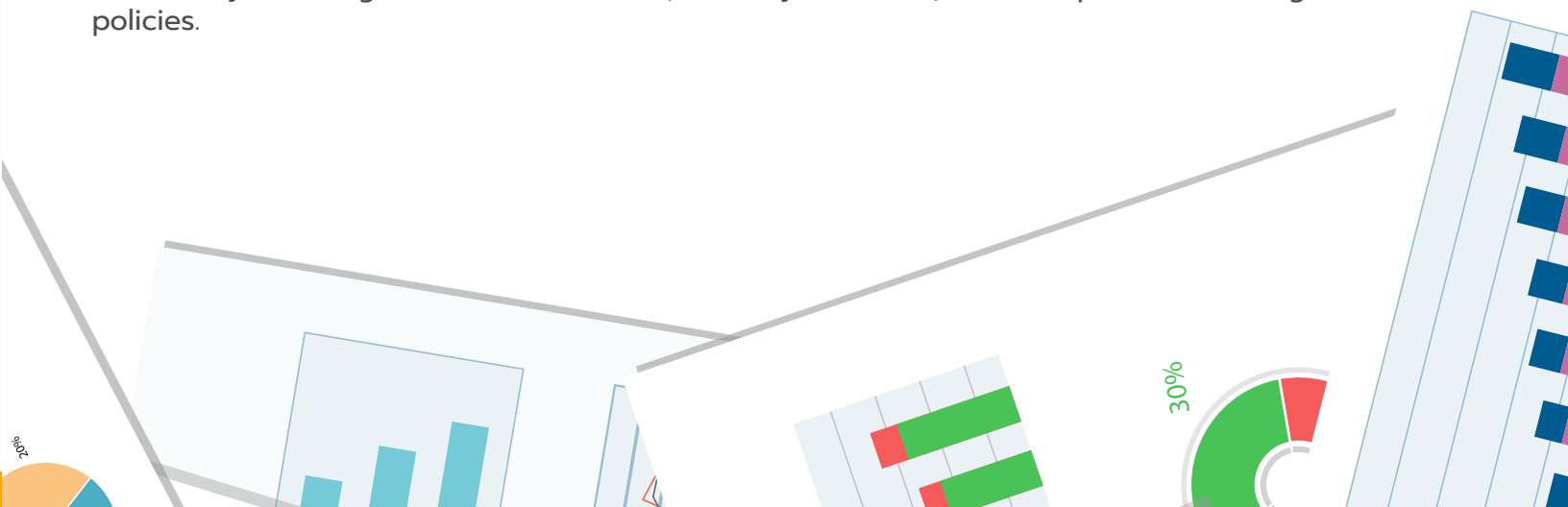
Overall, safeguards and procedures evaluated were found to be consistent with industry standards, with certain improvement recommendations reported and completed, or being acted upon.

The Supervisory Committee's role is to independently develop audit plans with our internal audit staff, review completed internal audit reports and responses, monitor certain financial reports and research and respond to member complaints. Our internal auditors work throughout the year to ensure the credit union remains compliant with New York State Department of Financial Services (NYSDFS) and National Credit Union Association (NCUA) requirements, laws and regulations. Beyond regulatory requirements, the Sunmark internal audit team and Supervisory Committee also assess Sunmark policies, monitor financial institution risk trends and provide recommendations on best practices for the protection of member assets.

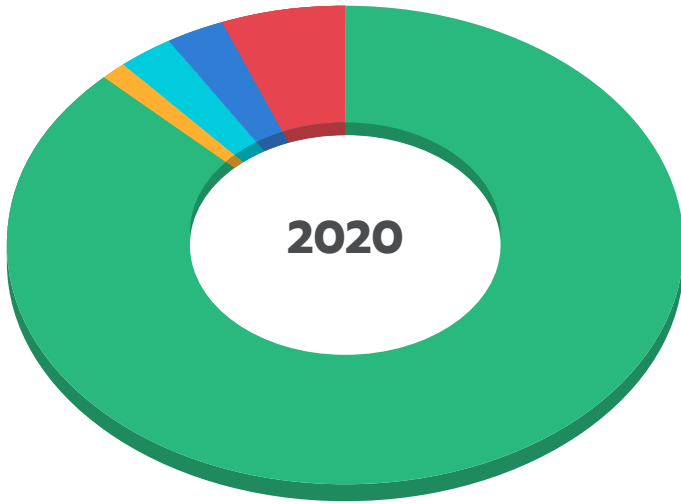
Supervisory Committee members also oversee how the Board of Directors conduct business on behalf of our members. The Committee monitors how Directors act in the best interest of our members by attending Board meetings and reviewing the Board's minutes.

The Executive Leadership Team and Board members continue to work collaboratively with the Supervisory Committee in the identification and resolution of any issues representing risk to Sunmark and our members.

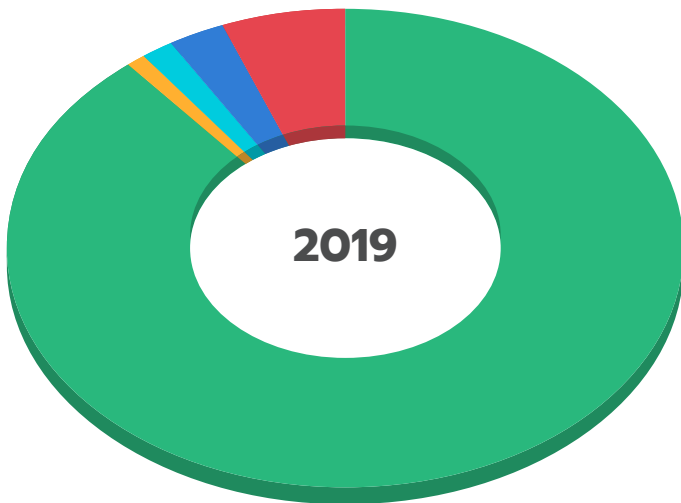
I consider it a privilege to work with the other dedicated Supervisory Committee members, our Independent Audit Team, Board Members, Executive Leadership Team, and Sunmark employees in mutually ensuring member satisfaction, security of assets, and compliance with regulations and policies.



Financial Report



| | |
|----------------------|-----------------------|
| Loans (Net) | \$ 707,213,654 |
| Cash | \$ 12,085,746 |
| Investments | \$ 109,895,392 |
| Property & Equipment | \$ 26,274,803 |
| Other Assets | \$ 66,278,279 |
| Total Assets | \$ 921,747,874 |



| | |
|----------------------|-----------------------|
| Loans (Net) | \$ 647,995,787 |
| Cash | \$ 9,155,02 |
| Investments | \$ 19,699,951 |
| Property & Equipment | \$ 20,861,615 |
| Other Assets | \$ 43,904,844 |
| Total Assets | \$ 741,618,099 |

Members ↑ 24.8%

2020 — 77,730

2019 — 62,294

Assets ↑ 24.3%

2020 — \$921,747,874

2019 — \$741,618,099

Capital ↑ 22.8%

2020 — \$71,844,506

2019 — \$58,517,087

Loans ↑ 9.3%

2020 — \$711,620,487

2019 — \$651,155,174

Deposits ↑ 29.5%

2020 — \$832,891,770

2019 — \$643,336,438

Liabilities and Capital 2020 vs. 2019

Liabilities

2020 - \$ 7,291,862

2019 - \$ 4,384,857

Share Certificates

2020 - \$ 166,456,293

2019 - \$ 196,699,805

Term Borrowings

2020 - \$ 9,719,735

2019 - \$ 35,379,718

IRA

2020 - \$ 20,386,539

2019 - \$ 19,058,767

Shares

2020 - \$ 310,838,446

2019 - \$ 192,150,677

Commercial Accounts

2020 - \$ 26,116,382

2019 - \$ 20,614,726

Share Checking

2020 - \$ 177,625,913

2019 - \$ 118,208,140

Reserves

2020 - \$ 4,685,058

2019 - \$ 4,685,058

Money Market

2020 - \$ 131,468,198

2019 - \$ 96,604,322

Undivided Earnings

2020 - \$ 67,159,448

2019 - \$ 53,832,029

Total Liabilities & Capital

2020 - \$ 921,747,874

2019 - \$ 741,618,099

Foundation Report



AUDREY STONE
Administrator, Sunmark
Charitable Community
Foundation

In 2020, the Sunmark Charitable Community Foundation invested over \$65,000 into the community and programs that support affordable housing, food accessibility, diversity and inclusion, community development and financial literacy.

In review:

- In collaboration with Sunmark Credit Union, the foundation was able to support several organizations impacted by the COVID-19 pandemic. All previously committed funds for events and programs were made immediately available for organizations to reallocate to meet their relief needs as they pivoted to aid those impacted by the pandemic and provide front-line relief.
- With schools closed, many families found themselves struggling to provide meals for their children who would normally receive meal assistance through the school district. The Boys and Girls Clubs filled this void by creating daily meal delivery programs by the foundation in Albany and Troy, providing over 2,000 meals per day. A \$10,000 donation was made to the Boys and Girls Clubs of the Capital Area meal program to continue this effort. Teams of Sunmarkers also volunteered their time at housing sites disbursing meals throughout the summer.
- In March, the Ronald McDonald House Charities of the Capital Region was forced to suspend acceptance of families to the house due to the pandemic. The organization remained committed to keeping families together while undergoing pediatric hospital treatments and transitioned into placing families in an area hotel. The Sunmark Charitable Community Foundation supported this initiative with a \$10,000 donation. The team also participated in the 38 Years of Love Parade from Albany Medical Center Children's Hospital to the Ronald McDonald House.
- The foundation hosted our First Annual FootGolf Family Fun Night. Teams of all ages came out to compete and raised over \$7,500 for the foundation.
- In October, the foundation celebrated International Credit Union Day with the second annual ICU Awards. One individual and three organizations were honored for making their mark on the community, by contributing their time, talent or treasure and thus carrying out the credit union philosophy of People Helping People. Albany Pride Hockey Association, Unity House of Troy and St. Catherine's Center for Children each received the People Helping People Award along with a \$2500 donation to their organization. Jeremy Wernick, founder of Hatsgiving, a movement to collect new winter hats and disburse them to pediatric cancer patients across the country, received the Susan V. Siegel Community Service Leader Award and a \$1500 donation to the organization of his choice.
- With the support of our members and community, we were still able to hold a number of collection drives at our branches and public events to benefit area organizations. School supplies for students at KIPP Tech Valley, nonperishable food and household items for the Veterans and Community Housing Coalition and winter hats for pediatric cancer patients in partnership with Hatsgiving are a few examples of successful collections held in 2020.
- To close out 2020, Sunmark staff provided Christmas gifts to local families for through our partnership with the YWCA of the Greater Capital Region.

I would like to acknowledge and thank our dedicated Board of Directors: Bryan Delehanty (President), Christina Coons (Treasurer), Samantha VanDeusen (Secretary), Lauren DeMarco (Branch Liaison), Brittney Campbell, Amber Cooleen, Sarah Hammond, Ralph LeBarron and Nereida Stewart.

On behalf of the Sunmark Charitable Community Foundation, I'd like to extend our gratitude to all front-line workers for the steadfast dedication and courage they have demonstrated throughout the past year. We are forever grateful to you and your families for the sacrifices you have made, and continue to make, to support our communities. We also express our heartfelt appreciation for the organizations who so quickly transformed daily routines to provide unwavering support to the community – thank you!

YEAR IN REVIEW

SUNMARK CHARITABLE COMMUNITY FOUNDATION



Collecting winter coats for Schenectady City Mission (left)
Donating school supplies to KIPP Tech Valley Charter Schools (center)
Rocking our cartoon tshirts to raise awareness and funds for CU4Kids (right)



Raising money for the foundation with Sunmark's first ever Foot Golf tournament (both)
Foot Golf replaced the Annual Sunmark Charity Golf Tournament for 2020 in an effort to remain safe and healthy.



Delivering meals with the Boys and Girls Club of the Capital Area (left & right)
Walking in the 38 Years of Love Parade for the Ronald McDonald House (center)



 **Sunmark**

STRONGER
TOGETHER



**GOOD
VIBES**