



Somerville's Credit Union



NEWSLETTER SPRING 2018

We're **your** credit union.

President and Chief Executive Officer Joint Annual Report

Somerville's Credit Union finished 2017 in an exceptional manner. Many of our financial benchmarks reached historical highs. Our asset growth increased 3.65%, more than \$1.5 million over 2016, ending the year with more than \$42 million in assets. Member loans increased by \$1.75 million or an 8.87% improvement from 2016, completing 2017 with \$21.5 million in loans. Our Loan-To-Share ratio went up from 57.13% in 2016 to 59.93% by the end of 2017. This lending volume was accomplished while maintaining a very low delinquency ratio of .28% (compared to our peer industry group ratio of 1.23%). Our asset and loan growth, coupled with fiscal prudence, resulted in a .46% Return-On-Assets ratio (compared to peer at .30%). Our strong Net Worth-To-Assets (capital ratio) of 14.35% (compared to peer at 12.73%) or more than \$6 million in reserves, earned us another 5-star rating by the prestigious Bauer Financial Report.

In the past year we have realized a steady increase in new membership. In addition to our original core membership groups comprised from the City of Somerville, Somerville Housing and Somerville-Cambridge Elder Services, we have seen an uptick in new family members, as well as those who are outside of these groups but live or work in and around Somerville. At the end of 2017 we have added new services that will be a welcome addition to the financial lives of our 2,436 members. The first item worth noting is a 100% home equity line of credit product which allows qualified members to access all their home's equity, as opposed to only 80% found with many competitor home equity loans. The next product that will impact the lives of many of our members 62 and older is access to a home equity conversion mortgage (HECM). We have partnered with Reverse Mortgage Funding, a nation-wide leader in the HECM industry, to provide senior members with an affordable way to access their home's equity for whatever purpose, including purchasing a second home, or simply aging-in-place.

As we look forward to the coming months of 2018 we anticipate increasing our value-added services to our membership. Some of the newest services include: offering our members access to a surcharge-free network of more than 30,000 ATMs; introducing a low interest rate Visa credit card with rewards; launching a strategic partnership with a proven financial and retirement planning advisory firm; and finally renovating our lobby to provide a contemporary look with efficient delivery systems in a private, yet member-friendly, atmosphere.

Our staff, Board of Directors and Supervisory Committee members are honored to serve you and our entire membership. We ask that you continue to refer your family and friends to Somerville's Credit Union so that we can continue to grow stronger and meet the financial needs for you, your family and future members.

Respectfully yours,

Paula Gartland
President & Chairman

Roland J. Draper III
CEO

CONGRATULATIONS

We have two recent employee promotions to announce. Cyndy Dandrea was promoted from Chief Operations & Financial Officer to Executive Vice President, and Jason Brown was promoted from Financial Services Representative to Assistant Branch Manager. Congratulations to both of them and we know they will both do an amazing job in their new roles.

MEMBER APPRECIATION DAY

We would like to thank you, our member, for choosing us for all your financial needs. Come into the branch on Friday, May 25, 2018 for complimentary refreshments as a small thank you for your patronage.

THANKYOU

2018 ELECTION RESULTS

Thank you to everyone who voted on March 6, 2018. Congratulations to Steven MacEachern, Donetta Burgess, & Lance Covert on being reelected. Thank you to Charles Femino & Joseph DiMare for running for office.

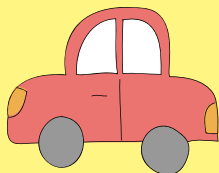




CAR LOANS

- GAP INSURANCE
- EXTENDED WARRANTY
- LIABILITY INSURANCE

**LOAN
RATES AS
LOW AS ¹**



APPLY TODAY!

sommfcu.com

(617) 625-0898

**1.75 %
APR²**
FOR 2017 AND
NEWER. UP
TO 48 MONTHS

1. Rate is based on credit score criteria. Approval of a car loan requires that you meet our credit criteria, income ratios and any additional terms and conditions that may apply. 2. APR: Annual Percentage Rate. Offer subject to change without notice.

YOU DESERVE A BETTER CREDIT CARD

...and your credit union will be offering a "better" credit card soon! We have partnered with Service Credit Union/ICUL Service Corporation a credit union owned national credit card issuer. Used by over 600 credit unions nationwide this Visa credit card will be marketed to all qualified applicants in the near future.

Some of the many benefits include:

- No Annual Fee
- Low rates on everyday purchases
- No balance transfer fee
- Reward points
- 24/7 fraud protection
- To apply, visit us at <http://mycucard.com> or call 1-888-415-6154



HOME EQUITY LINE OF CREDIT

Do you have equity in your home?

Are you looking to do some repairs on your home?

Consider our Home Equity Line of Credit. Low introductory 1.99% APR* for the first 12 months (adjustable thereafter). 7 year draw period. 8 year repayment period.

APPLY TODAY!

sommfcu.com

(617) 625-0898



*APR Annual percentage Rate. Please call for details. Offer subject to change.

MOBILE BANKING

If you have online banking with us and you've been a member for at least 30 days you can use the free Sprig mobile banking app. Simply go to app store on your smartphone and download the Sprig app.

With this app you can:

- | | |
|------------------------------------|---------------------------|
| Find CO-OP Shared Branch Locations | Deposit Checks (Remotely) |
| Perform Transfers | View Balances |

FINANCIAL PLANNING

Somerville's Credit Union will soon be announcing a new strategic alliance with one of New England's leading financial advisor firms. This relationship will give our members access to comprehensive financial planning and investment services.

Developing a sound financial plan for the future can be one of the toughest financial challenges our members face. Our newest alliance will provide guidance to help you set personalized short- and long-term goals, potentially avoid costly financial mistakes, and more.

New service offerings will include:

- Financial Planning (asset allocation review, tax planning, cash flow analysis, estate planning)
- Qualified Accounts (IRA, SEPs, 401(k), 403(b), Profit Sharing Plans)
- Advisory Accounts (mutual fund wrap accounts, active & passive strategies)
- Insurance Programs (life Insurance, annuities, long term care insurance and disability insurance)
- Investment Programs (mutual funds, stocks, bonds, REITs, variable annuities)
- Educational Accounts (529 Plans, Educational IRAs, UGMAs, UTMAS)
- Non-Qualified Accounts (Standard Brokerage)

To learn more or to schedule a free financial consultation, contact CEO Ron Draper at 617-625-0898 x 211 or email him at rdraper@sommfcu.com.

VACATION LOANS!

Summer is right around the corner. What better time to plan a trip. Come in today to apply for a low interest Vacation Loan.

- Easy application process
- Enjoy a fixed low rate
- Borrow up to \$3,000

**LOAN RATES
AS LOW AS ¹**



**4.99 %
APR²**
FOR UP TO 18
MONTHS

1. Rate is based on credit score criteria. Approval of a vacation loan requires that you meet our credit criteria, income ratios and any additional terms and conditions that may apply. 2. APR: Annual Percentage Rate. Offer subject to change without notice.

Hours of Operation

Monday, Tuesday,
Wednesday, and Friday
9:00 am - 4:30 pm

**PLEASE NOTE OUR
LATE DAY CLOSING:**

Thursday 9:00 am - 6:00 pm



HOLIDAY SCHEDULE

Closed



Patriots' Day
Monday, April 16, 2018

Memorial Day
Monday, May 28, 2018



Somerville Municipal Federal Credit Union

236 Holland St.
Somerville, MA 02144
Phone: 617-625-0898
Fax: 617-625-0364
www.sommfcu.com



**Somerville's
Credit Union**