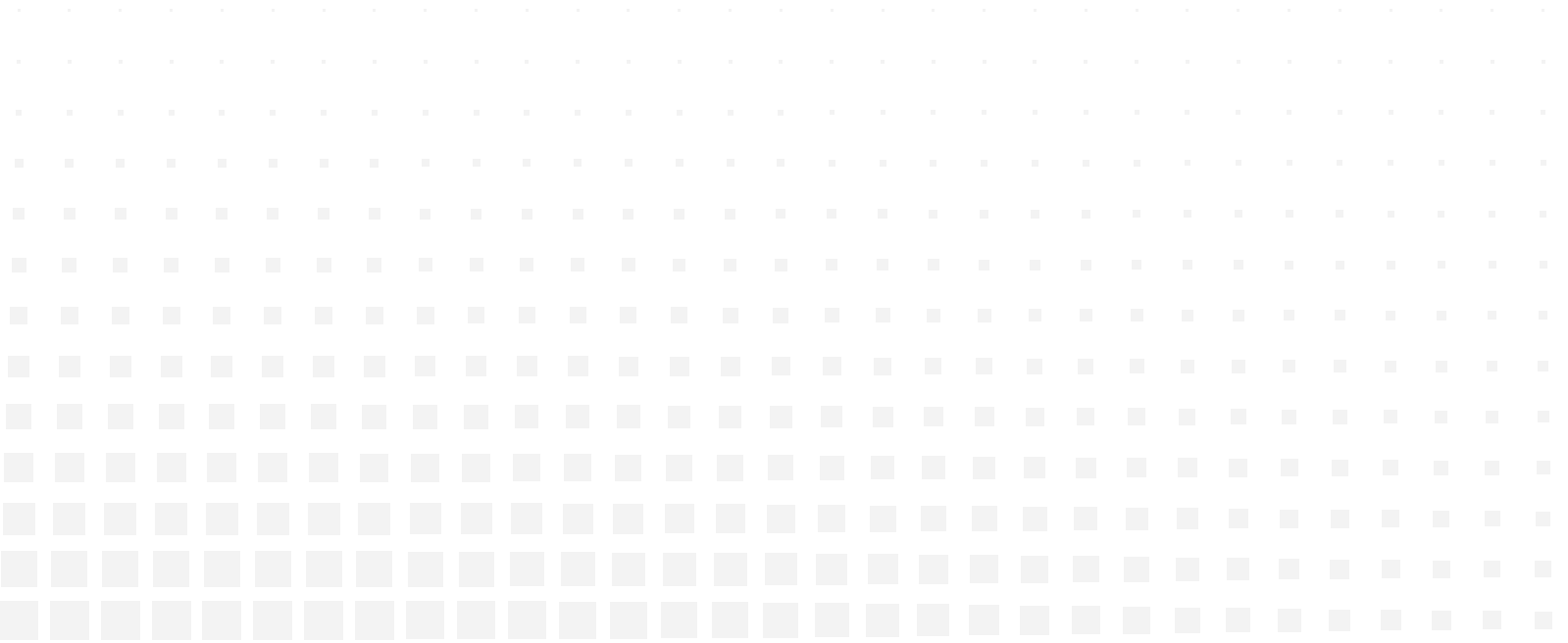




2024



# Annual Report



# CHAIR AND CEO REPORT

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It was a significant year in 2024 for Hudson Valley Credit Union, with exciting growth and a continued commitment to our members, employees, and communities. While expanding our physical presence, we remained focused on our purpose and impact to be a trusted partner, a positive force, and a champion for our people.

Guided by our commitment to People, Soundness, and Growth, we made great strides — whether it was opening new branches, investing in our teams, or strengthening our cooperative model. With this foundation in place, we look forward to continuing our momentum and delivering even more value in the years ahead.



A handwritten signature in black ink, appearing to read "Jay Pantaleo".

**Jay Pantaleo**  
*Chair of the Board*



A handwritten signature in black ink, appearing to read "Jonathan W. Roberts".

**Jonathan W. Roberts**  
*President & CEO*

# EXPANDING ACCESS, STRENGTHENING TRUST

Our members are at the heart of everything we do, and this year we made bold moves to enhance access and improve services.



HVCU laid the groundwork to double its footprint by early 2025 with our successful expansion into the Capital Region. The opening of our Latham branch in July and the acquisition of eight additional locations in September significantly increased access to financial services in these areas, and our membership grew 4% over last year to more than 371,000. Our growth in the Capital District was already recognized by the Albany Business Review, which named HVCU the 2024 Newsmaker of the Year.

Further expansion is quickly following, with the acquisition of Catskill Hudson Bank and an exciting new collaboration with Marist University by early 2025. Red Fox Financial is an innovative partnership with students helping operate a branch on the Marist campus. Plans were also initiated to relocate our Brewster branch and open our much-anticipated New Paltz location.

Investments in operational efficiencies and technology resulted in over \$1.5 million in savings. The deployment of a new fleet of

ATMs and Interactive Teller Machines (ITMs) modernized how members access their accounts, offering greater convenience and a more personal experience.

These advancements along with traditionally competitive rates and lowering select consumer fees during 2024, reinforced HVCU’s trusted reputation. As members’ confidence in us remained strong, HVCU ranked among the top 50 U.S. credit unions by assets and the sixth largest in New York State.

The Wealth Management at Hudson Valley Credit Union<sup>1</sup> team hosted educational webinars and member appreciation events that reached hundreds of current and prospective members in dynamic ways to help manage, preserve and plan for their future with new investment options, customizations and more. The team also now occupies a renovated state-of-the-art space at our Hollowbrook building in Wappingers Falls, which serves as a headquarters for the team that continues to serve members in our branches.

371k

Members Total

⬆ Increased by 4% in 2024

30

Branch Locations

⬆ Increased from 21 in 2024

Nine

Counties with Branches

⬆ Increased from 5 in 2024

# STRENGTHENING OUR COMMITMENT TO SERVICE

As our presence grows, so does our impact. This year, we deepened our investment in local organizations, financial education and fraud prevention — helping to build stronger, more financially secure communities.

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We incorporated the HVCU Charitable Foundation, and the credit union's Board of Directors approved an initial \$3 million investment to begin its endowment. This new Foundation will help us grow our partnerships with non-profits offering unique and impactful programs in food, education, health, and housing initiatives. The initial endowment investment is in addition to our other community commitments, such as nearly \$1 million in direct donations and sponsorships to more than 230 nonprofit organizations, internship and scholarship programs, financial literacy resources, in-kind donations, and our employees' volunteer time.

To further safeguard our members, we introduced a dedicated internal fraud prevention initiative that recognized frontline staff for their vigilance. Through these efforts, our team helped protect members and the credit union from

more than \$1.2 million in fraudulent activity. Over 100,000 members received monthly fraud education emails outlining tips and best practices to identify, prevent and report a variety of scams and identity theft schemes.

Expanding access to financial literacy remained a core focus. We extended scholarship opportunities and financial education programs to more than 5,200 individuals in underserved communities, offering workshops to students in local school districts and more than \$58,000 in scholarships to students in our 2024 Scholarship Program and through local school district programs. Additionally, HVCU became the first financial institution in New York to participate in the IGNITE Initiative, providing virtual financial literacy seminars to incarcerated individuals at the Ulster County Jail who will be reentering society soon.

**+15%**

Net Income Invested

**+\$4M was invested in the people and communities we serve through:**

- Program Grants
- Event Sponsorships
- Internships
- Scholarships
- Financial Literacy
- In-kind Donations

# INVESTING IN OUR PEOPLE

Our employees are the driving force behind our success. This year, we made significant investments in compensation, career development and workplace well-being — ensuring our teams feel valued, supported and equipped to grow with us.



Employee retention and mobility saw significant improvement; turnover decreased by 41.5% and 33% of open positions were filled internally. To further invest in career growth, HVCU contributed over \$67,000 toward tuition assistance, helping employees pursue their academic and professional goals.

Compensation enhancements remained a priority, with a new \$20 per-hour minimum wage introduced at the start of 2024, and a total investment of \$13 million in compensation increases throughout the year for our employees. Employee benefits also saw substantial enhancements, including a \$3 million investment that expanded mental health coverage, improved dental and vision plans, and delivered universal benefit rates for both full-time and part-time employees. These efforts among other wellness initiatives

earned HVCU recognition from the American Heart Association through the 2024 Well-being Works Better™ Scorecard.

To improve efficiency and efficacy, our cooperative strengthened our collaborative technology to help us increase productivity and serve members and each other better.

Strengthening the employee experience remained a key focus. We launched six Employee Resource Groups, providing employees with opportunities to engage in community outreach and foster a culture of belonging. A new internal recognition platform and digital display system were also introduced to celebrate employee contributions and achievements in real time. Additionally, we improved company-wide communication strategies to ensure employees at all levels stay informed and engaged.

## 41.5%

✔ Decreased Turnover

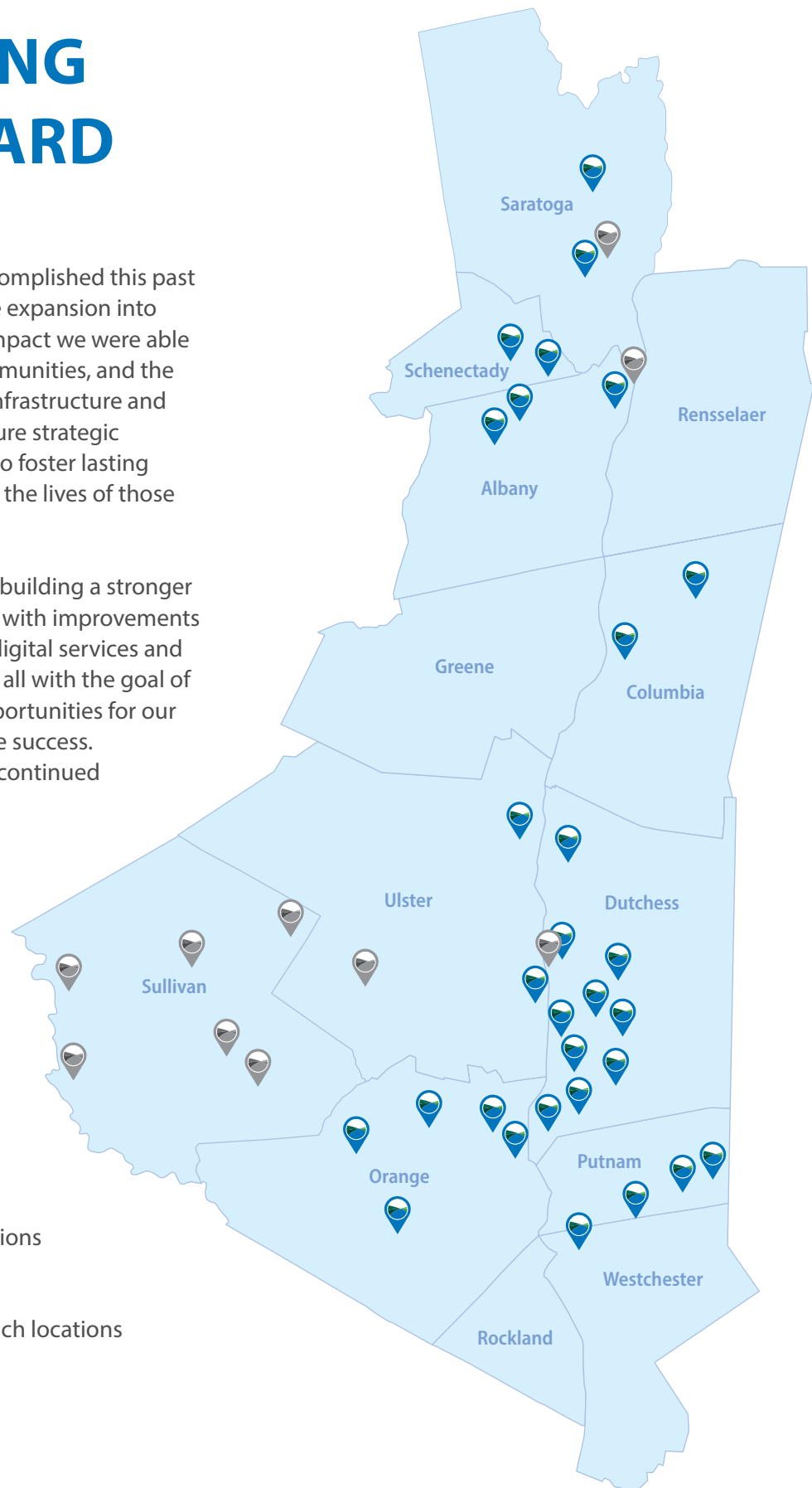
## \$20/hr


⬆ Increased Minimum Wage


# LOOKING FORWARD

With all that we accomplished this past year – including the expansion into new markets, the impact we were able to have on our communities, and the investment in our infrastructure and workforce – our future strategic initiatives promise to foster lasting change and benefit the lives of those we serve.

As we grow, we are building a stronger financial institution with improvements and expansions in digital services and physical locations – all with the goal of providing more opportunities for our members to achieve success. Thank you for your continued support and trust.



 30 branch locations in 2024

 Additional branch locations in early 2025

# TREASURER'S REPORT

As Treasurer, I am pleased to report that our financial cooperative remains well-capitalized and financially sound. During 2024, we experienced steady growth in several key metrics, including membership (4%), total savings (8.1%), and total loans (2.9%).

In 2024, our Net Worth ratio was 11.27%, which is significantly higher than the National Credit Union Administration's definition of a well-capitalized credit union (7% Net Worth ratio). This strong position continues to demonstrate our safety, soundness and ability to grow our financial cooperative. We will continue to invest in our people and technology as we expand services to meet more of your needs moving forward.

Hudson Valley Credit Union's increasing presence in the Capital Region and Columbia County was at the forefront of our evolving growth as we position the organization for even greater impact in the future. The opening of a new branch in Latham and the acquisition of eight additional branches contributed to our growth in membership and total assets. Additionally, we successfully welcomed more than 40 local financial professionals through our acquisition of branches in the northern region, helping to further our purpose of helping build successful futures for members, employees and our entire community.

This unprecedented year was possible because of the trust you placed in us to provide our membership with the products and services needed to create a better quality of life. Thank you for being a member of our cooperative. We look forward to creating even more opportunities for you in 2025.



*Jan S. Daughtry*

**Janine S. Daughtry**  
Treasurer

NET WORTH  
**11.27%**  
of total assets for 2024

TOTAL ASSETS  
**\$7.45 B**    **▲ 5.5%**

MEMBER SAVINGS  
**\$6.54 B**    **▲ 8.1%**

MEMBER LOANS  
**\$4.36 B**    **▲ 2.9%**

MEMBER GROWTH  
**371,457**    **▲ 4.0%**

B = Billions

# SUPERVISORY COMMITTEE REPORT

Hudson Valley Credit Union’s Supervisory Committee acts as an independent committee of the Board of Directors to ensure our management and the Board establish and maintain practices, procedures, and controls that effectively safeguard members’ assets. We are advocates for our members and ensure completion of the annual financial audit.

I am pleased to report that the independent audit by CPA firm CliftonLarsonAllen LLP of HVCU’s financial statements concluded that they represented fairly the results of HVCU’s operations and its financial position according to generally accepted accounting principles as an unmodified opinion. The New York State Department of Financial Services and National Credit Union Administration also successfully completed our annual required supervisory examinations.

During the year, the Supervisory Committee received full cooperation and support from management to enable it to play an effective role in maintaining the quality of financial reporting to the members and enhancing the strong overall control structure of HVCU. Together we are committed to maintaining a strong and safe institution that promotes members’ financial well-being. Our robust controls and policies help us to provide the excellent service our members have come to expect – and that they deserve. We look forward to another successful year and thank you for your continued membership.



A handwritten signature in black ink, appearing to read 'Allen Olsen'.

**Allen Olsen**  
*Supervisory Committee Chair*

## 2025 ANNUAL MEETING

June 25, 2025

**Our Lady of Lourdes  
High School**

131 Boardman Rd, Poughkeepsie, NY

Our Annual Meeting will feature a brief message from our Chair of the Board as well as results of the Board of Directors’ election. Members wishing to attend are asked to register before 5 pm ET on Monday, June 23 by visiting [hvcu.org/annualmeeting](https://hvcu.org/annualmeeting).

**Beginning promptly at 5:30 pm ET**



# BOARD OF DIRECTORS

As of March 1, 2025



**Jay Pantaleo**  
Chair of the Board



**Keith Baskett**  
Vice Chair



**Janine S. Daughtry**  
Treasurer



**Benjamin Smith**  
Secretary



**Henrietta Akpata**  
Director



**Nancy K. Boehm**  
Director



**Wesley J. Lee**  
Director



**Karen McFarlane**  
Director



**Alisa Swire**  
Director



**Juhi Saha\***  
Associate Board Member



**Nancy Kappler-Foster**  
Director Emerita

# EXECUTIVE MANAGEMENT



**Jonathan W. Roberts**  
President and CEO



**John Fede**  
EVP, Chief Information Officer



**Amy Jakobeit**  
EVP, Chief of Member Operations



**Chris Kieffer**  
EVP, Chief Strategy Officer



**Rick Lionhood**  
EVP, Chief Banking Officer



**Mark Timmerman**  
EVP, Chief Risk Officer



**Scott VanZandt**  
EVP, Chief Financial Officer



**Desiree Wolfe**  
EVP, Chief Experience Officer

## COMMITTEES

### Compensation and Benefits Committee

**Karen McFarlane, Chair**

Nancy K. Boehm	Jay Pantaleo*
Alisa Swire	Jonathan W. Roberts*
Jennifer Shore	Mark Timmerman*
Kenneth Sloan	Desiree Wolfe*

### Supervisory Committee

**Allen Olsen, Chair**

Silvio Balzano  
Justin Gallo  
Jean-Claude Kallab

### Governance and Nominations Committee

**Henrietta Akpata, Chair**

Karen McFarlane	Jay Pantaleo*
Wesley J. Lee	Jonathan W. Roberts*
Alisa Swire	

#### Nominations Sub-Committee

**Stephanie McCaine, Chair**

Henrietta Akpata	Judy Schwab
Benjamin Smith	Jennifer Shore
Paul Anderson	

### Finance Committee

**Janine S. Daughtry, Chair**

Keith Baskett	Jay Pantaleo*
Benjamin Smith	Jonathan W. Roberts*
Juhi Saha	Scott VanZandt*

### CUSERVE Board of Directors

**Jonathan W. Roberts, Chair**

John Guy, *Vice Chair*  
Chris Kieffer, *Secretary*  
Scott VanZandt, *Treasurer*  
Keith Baskett, *Director*

\* = non-voting

EVP = Executive Vice President

## CONSOLIDATED STATEMENTS OF FINANCIAL CONDITION

.....

December 31	2023	2024
<b>ASSETS</b>		
Cash and cash equivalents	\$771,220,499	\$662,752,064
Investments	1,822,731,247	2,123,522,644
Loans to members:		
Real Estate loans	1,543,259,808	1,768,198,042
Consumer loans	2,250,634,073	2,125,333,690
Member Business loans	447,490,134	469,104,286
Total loans to members	4,241,384,015	4,362,636,018
Allowance for credit losses	(36,707,610)	(37,875,436)
Accrued interest receivable	21,681,480	25,044,218
Prepaid expenses	6,481,323	8,058,974
Property and equipment, net	93,750,415	100,445,041
NCUSIF deposit	51,195,035	55,690,229
Other assets	91,061,821	150,455,541
<b>TOTAL ASSETS</b>	<b>\$7,062,798,225</b>	<b>\$7,450,729,293</b>
<b>LIABILITIES AND MEMBERS' EQUITY</b>		
Members' savings accounts:		
Regular Savings	\$1,718,453,773	\$1,975,296,931
Checking	989,032,545	1,016,762,789
Money Market	571,021,994	444,809,855
IRAs	251,872,604	273,801,164
Certificate Accounts	2,222,155,597	2,502,382,361
Business Accounts	296,654,714	327,825,038
Total members' savings accounts	6,049,191,227	6,540,878,138
Borrowed Funds	500,000,000	400,000,000
Accrued expenses and other liabilities	81,195,633	76,322,717
<b>TOTAL LIABILITIES AND SAVINGS</b>	<b>6,630,386,860</b>	<b>7,017,200,855</b>
Members' equity, substantially restricted	432,411,365	433,528,438
<b>TOTAL LIABILITIES AND MEMBERS' EQUITY</b>	<b>7,062,798,225</b>	<b>7,450,729,293</b>

# CONSOLIDATED STATEMENTS OF INCOME

.....

Years Ended December 31	2023	2024
<b>INTEREST INCOME</b>		
Loans	\$205,946,365	\$260,006,370
Investments	84,380,499	99,678,147
Total interest income	290,326,864	359,684,517
<b>INTEREST EXPENSE</b>		
Members' savings accounts	93,310,523	142,170,672
Borrowed funds	18,492,251	17,321,517
Total interest expense	111,802,774	159,492,189
Net interest income	178,524,090	200,192,328
<b>PROVISION FOR CREDIT LOSSES</b>	17,311,480	25,010,672
Net interest income after provision for credit losses	161,212,610	175,181,656
<b>NON-INTEREST INCOME</b>		
Gain on sale of assets	(37,500,919)	1,433,697
Wealth Management at HVCU <sup>1</sup> Income	6,318,239	7,918,224
HVCU Insurance Services Income	745,954	837,462
Other	54,764,756	54,228,285
Total non-interest income	24,328,030	64,417,668
<b>NON-INTEREST EXPENSES</b>		
Compensation	69,797,273	83,062,608
Office operations	40,304,215	43,333,824
Loan servicing	28,853,097	32,277,465
Employee benefits	22,728,493	26,010,131
Miscellaneous	1,087,268	9,599,097
Marketing	5,417,654	8,050,060
Office occupancy	7,236,166	7,619,768
Professional and outside services	5,406,592	5,108,386
Travel, conferences and training	855,729	1,268,997
Association dues	433,286	480,193
Members' insurance	375,434	314,899
Directors/Volunteers expense	61,684	203,592
Operating fee	187,785	175,911
Cash over and short	2,240	18,050
Annual meeting/election	893	864
Total non-interest expenses	182,747,809	217,523,845
<b>NET INCOME</b>	<b>2,792,831</b>	<b>22,075,479</b>



845.463.3011 | [hvcu.org](https://hvcu.org)

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## Wealth Management

at Hudson Valley Credit Union

<sup>1</sup>Securities and advisory services are offered through LPL Financial (LPL), a registered investment advisor and broker-dealer (member FINRA/SIPC).

Insurance products are offered through LPL or its licensed affiliates. Wealth Management at Hudson Valley Credit Union and Hudson Valley Credit Union **are not** registered as a broker-dealer or investment advisor. Registered representatives of LPL offer products and services using Wealth Management at Hudson Valley Credit Union, and may also be employees of Hudson Valley Credit Union. These products and services are being offered through LPL or its affiliates, which are separate entities from, and not affiliates of, Hudson Valley Credit Union or Wealth Management Hudson Valley Credit Union. Securities and insurance offered through LPL or its affiliates are:

**Not Insured by NCUA or Any Other Government Agency | Not Credit Union Guaranteed | Not Credit Union Deposits or Obligations | May Lose Value**

Hudson Valley Credit Union provides referrals to financial professionals of LPL Financial LLC ("LPL"), dba Wealth Management at Hudson Valley Credit Union, pursuant to an agreement that allows LPL to pay the Hudson Valley Credit Union for these referrals. This creates an incentive for the Hudson Valley Credit Union to make these referrals, resulting in a conflict of interest. Hudson Valley Credit Union is not a current client of LPL for brokerage or advisory services. Please visit <https://www.lpl.com/disclosures/is-lpl-relationship-disclosure.html> for more detailed information.



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