



2020 | GOLD COAST FCU ANNUAL REPORT



Prepared for the 84th Annual Meeting of the Membership

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Total Member Satisfaction



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Chairman's Letter

“Gold Coast Federal Credit Union...turning the financial dreams of our members into realities.”

Dear Members,

As we started the last year with our new CEO, we could not imagine the new challenges the credit union would have to face in his first year with a global pandemic on the horizon. In addition, we were not aware how long the pandemic would last and how it would affect both our employees and our members. As I write this report, the country is going through the vaccination process and over 52 million Americans are fully vaccinated. This number is growing daily, and I hope our return to normalcy is on the horizon.

In 2020, our nearly 21,000 members originated approximately \$25 million in loans. Compared to previous years, our membership required less loans as federal aid related to the pandemic increased member share balances and reduced the need for our primary loan source, auto lending. Over 16,500 members have checking accounts at Gold Coast FCU which accounts for 79% of all members. The credit union grew by nearly 27% or \$50 million, and it remains strong and well capitalized with a net worth of 9.09%.

Gold Coast Federal Credit Union has worked in the community for years turning the financial dreams of our members into realities. Members use the credit union to buy a new car, purchase a home, save for college or a dream vacation. The credit union philosophy of people helping people is what separates Gold Coast Federal Credit Union from other financial institutions in the market.

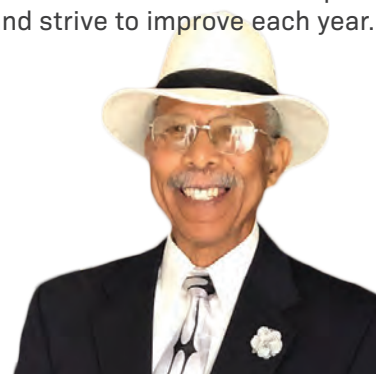
Your Board is made up of volunteers from across the community with varied backgrounds. I am proud of the work we have done this year to maintain the mission

of meeting the financial needs of our membership through the products and services offered. Throughout the year, Board committees meet to address both regulatory and member concerns. I would like to thank the Board and committee members who comprise the Education Committee, Executive Committee, Facilities Committee, Finance Committee, Governmental Affairs/Community Development Committee, Information Security Committee, Policy Review Committee, and the Supervisory Committee for their contributions throughout 2020.

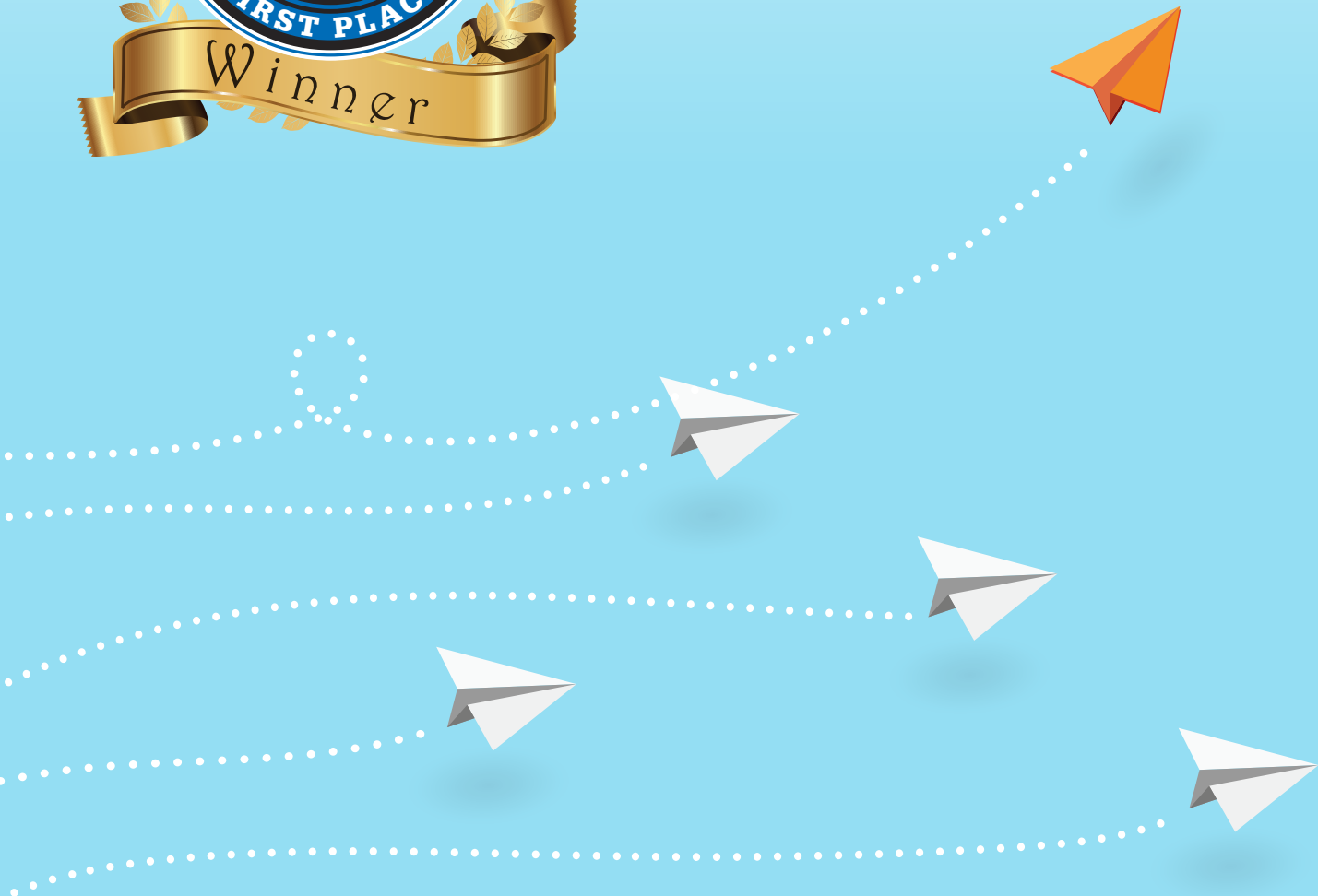
Please take the opportunity to read more about the work of these committees in this report, as well as details on the financial performance of your credit union. This past year has been a challenge both personally and professionally, as the management and staff had to overcome challenges unheard of only a year ago. We are proud Gold Coast FCU was able to continue to provide competitive products and services to our members as well as personal service both in-person and electronically.

On behalf of the Board of Directors, I would like to thank you for your membership and continued support of Gold Coast Federal Credit Union. We value the relationship we have with our members and strive to improve each year.

Clinton Butler, Jr.
Chairman of the Board



*Gold Coast Federal Credit Union is honored to
have been voted Palm Beach County's
BEST CREDIT UNION in 2019 & 2020*



Our President & CEO

Steve Bush

A year ago, the coronavirus outbreak was just beginning, and we had no idea the impact it would have on our daily lives and working environment. As an organization, our goal was to keep both our members and employees safe, and to provide as much normalcy as possible in the delivery of member service. After we closed our branches in the spring to assess safety protocols, moved some employees offsite to reduce infection risk and re-evaluate processes based on industry/ CDC recommendations, I felt it was important to open after Memorial Day weekend to member walk-in traffic. Through the adherence of safety protocols by both the membership and staff, we have been able to provide in-person member service for months without interruption.



There were many aspects of the pandemic and the resulting legislative actions which materially affected our financial performance. Consumer spending and lending needs were dramatically reduced, and the overall loan portfolio was down \$10 million from the previous fiscal year. Non-interest income related to loans and deposits was down over \$500,000 which directly affected our overall net income. For the fiscal year which ended on September 30, 2020, Gold Coast Federal Credit Union total assets were just over \$221 million. This represents a growth of over 20% or nearly \$38 million from fiscal year 2019. Member deposits were up over \$37 million from the previous fiscal year which is directly related to the reduced spending related to lockdowns and the first covid-related stimulus checks which occurred in the spring of 2020. Net income for the fiscal year was over \$942,000 and the resulting net worth ratio was 9.54%. Our strong capital position provides us the opportunity to return more to you, through competitive loan and dividend rates, as well as fund growth in new services.

Management and staff are continually working on projects to improve the member experience. These include updating our current products and services, as well as researching and implementing new ones for the future. You have already begun to see some changes to the credit union with the recent launch of our new brand/logo. Later in 2021, we will begin the renovation of our corporate offices and main branch to provide updated facilities for both the membership and staff. Renderings of the renovations are included within this annual report.

On behalf of the Management and Staff of Gold Coast Federal Credit Union, I would like to thank you for your membership. We appreciate your business and look forward to continuing to serve your financial needs in the coming year.

Steve Bush
President and Chief Executive Officer



Financial Highlights

STATEMENTS OF FINANCIAL CONDITION

Audited September 30:

2020

2019

ASSETS:

Cash and cash equivalents	\$ 51,036,877	\$ 19,398,827
Investments:		
Available-for-sale	25,252,151	-
Other	51,192,335	62,335,388
Loans held for sale	-	-
Loans receivable, net of allowance for loan losses	82,493,460	91,393,996
Accrued interest receivable	304,632	298,913
Premises and equipment, net	4,436,591	3,979,861
National Credit Union Share Insurance Fund deposit	1,608,181	1,540,390
Assets acquired in liquidation	-	4,988
Other Assets	5,325,015	5,185,695
Total Assets	\$ 221,649,242	\$ 184,138,058

LIABILITIES AND MEMBERS' EQUITY:

Liabilities

Members' share and savings accounts	\$ 197,957,260	\$ 160,673,680
Accrued expenses and other liabilities	2,378,084	3,260,090
Total liabilities	200,335,344	163,933,770

Commitments and contingent liabilities

Members' Equity

Regular reserve	6,314,550	6,314,550
Undivided earnings	14,832,229	13,889,738
Accumulated other comprehensive income	167,119	-
Total members' equity	21,313,898	20,204,288
Total Liability and Members' Equity	\$ 221,649,242	\$ 184,138,058

STATEMENTS OF INCOME

Audited September 30:

2020

2019

Interest Income

Interest on loans receivable	\$ 2,795,573	\$ 2,779,061
Interest on investments	1,788,627	1,946,939
Interest income	4,584,200	4,726,000

Interest Expense

Dividends on members' share and savings accounts	193,071	162,268
Interest expense	193,071	162,268

Net Interest Income

4,391,129 4,563,732

Provision for Loan Losses

193,700 295,371

Net Interest Income After Provision for Loan Losses

4,197,429 4,268,361

Non-Interest Income

Fees and service charges	1,499,288	2,065,818
Other non-interest income	949,498	890,885
Card Income	792,724	753,955
Gain on Credit Union Service Organization	27,421	67,581
Gain on disposition of premises and equipment, net	12,147	-
Non-Interest Income	3,281,078	3,778,239

Total Income

7,478,507 8,046,600

Non-Interest Expense


Compensation and employee benefits	3,200,191	3,272,155
Operations	2,130,065	1,867,112
Occupancy	458,025	464,424
Professional and outside services	415,182	415,893
Loan servicing	143,078	111,117
Debit card adjustments	81,189	24,960
Education and promotion	60,307	62,315
Miscellaneous expense	44,280	45,048
Loss on disposition of assets acq. in liquidation, net	3,699	27,180
Loss on disposition of premises and equipment, net	-	29
Non-Interest Expense	6,536,016	6,290,233

NET INCOME

\$ 942,491 \$ 1,756,367

Committees

BOARD COMMITTEES POLICY: The Chairman of the Board may create committees to carry out different functions of the Credit Union. Committee members will be appointed by the Chairman and approved by the board at the Annual Organizational Meeting. Committee Members named below were effective starting on 03-07-2020.




EXECUTIVE

Executive Committee
Chair: Clinton Butler, Jr.

1st Vice Chairman: Roy Childers
2nd Vice Chairman: Ken Barker
Treasurer: Dave Carroll
Secretary: Marilyn Schiavo

The Executive Committee is comprised of the officers of the Board of Directors and meets as needed to address specifically delegated functions. The Executive Committee provides recommendations to the overall Board after the completion of the assigned task.



EDUCATION

Board Education Committee
Chair: Marilyn Schiavo

Janet Alessi
Norman Walker
Staff Liaison

The Board Education Committee has two main areas of responsibility:
(1) setting attendance guidelines; and
(2) selecting seminars or classes that will best enhance the knowledge of the Board and Committee members.



FACILITIES

Facilities Committee
Chair: Jim Sheehan

Ken Barker
Staff Liaison

The mission of the Facilities Committee is to ensure that the credit union's facilities and infrastructure are appropriate for the current and future needs of Gold Coast FCU. The Committee oversees the detailed plans, specifications and schedules for branch refurbishment and maintenance, and reports the progress of ongoing projects to the Board on a regular basis.



POLICY REVIEW

Policy Review Committee
Chair: Maxine DuPont

Ken Barker
Staff Liaisons

The Policy Review Committee meets monthly to review and update our policies. The main purpose of the Committee is to make sure new and existing Credit Union policies are in compliance with our by-laws, the Federal Credit Union Act, and any other applicable federal and state laws. Any staff or management policy recommendations are reviewed by the Committee and then submitted to the Board for formal action.



FINANCE

Finance Committee

Chair: Dave Carroll

Clinton Butler, Jr.
Roy Childers
Staff Liaisons

The primary responsibilities of the Finance Committee are the following: Review budgetary projections of income, expenses and profitability versus actual results; Review financial performance ratios, prices, investments and credit risk; Analyze economic and competitive conditions and projections of current and future liquidity needs; Monitor portfolio market values and interest rate shocks.

Information Security Review Committee

Chair: Jim Sheehan



Ken Barker
Klemie Christie
Eusebius Williams
Staff Liaisons

The main purpose of the Information Security Review Committee is to monitor the credit unions' overall Information Security compliance. The Committee oversees the Information Security Plan and risk assessments; discusses upcoming compliance changes; designates the review of policies and procedures; reviews all security incidents; coordinates the development of delivery of information security awareness training; and responds to audits and oversees the procurement of information systems hardware and software.

SECURITY



SUPERVISORY

Supervisory Committee

Chair: Klemie Christie

Janet Alessi
Eusebius Williams
Staff Liaisons

The duties of the Supervisory Committee include the following: Assure that the financial transactions and records of the credit union are accurately and properly maintained; See that an independent certified audit be made of all records as prescribed by the FCUA rules and regulations; Verify member accounts according to the FCUA and NCUA rules and regulations; Resolve our members' problems and complaints.

Government Affairs & Community Development Committee

Chair: Norman Walker



Klemie Christie
Marilyn Schiavo
Staff Liaisons

The Governmental Affairs/Community Development Committee is authorized to make charitable contributions and authorize sponsorships, provided such activities are in compliance with National Credit Union Administration Rules and Regulations.

COMMUNITY

Minutes of the 83rd Annual Meeting

March 7, 2020

The 83rd Annual Meeting of Gold Coast Federal Credit Union was held March 7th, 2020, at the Atlantis Country Club, located in Atlantis, Florida. Chairman of the Board Clinton Butler Jr. called the meeting to order at 8:30 A.M.

Chairman Butler welcomed all those in attendance. He introduced himself as Chairman of the Board of Directors of Gold Coast Federal Credit Union.

Chairman Butler asked Eusebius Williams to give the Invocation. He then asked for Eusebius Williams and the children in the audience to lead the membership in the Pledge of Allegiance.

Chairman Butler presented a brief overview of his responsibilities as Chairman of the Board. He explained the difference between a cooperative vs. other financial institutions, and the important roles that the board and committee members play in conducting the business of the Credit Union on behalf of the membership. He made mention that board and committee members are volunteers who serve without compensation.

Chairman Butler introduced Board and Committee members along with their titles and Committee assignments: Roy Childers, 1st Vice Chairman; Ken Barker, 2nd Vice Chairman; Dave Carroll, Treasurer; Dr. Marilyn Schiavo, Secretary; Norman Walker, Director; James Sheehan, Director; Klemie Christie, Director; Maxine DuPont, Director; Eusebius Williams, Member of the Supervisory Committee; Janet Alessi, Member of the Supervisory Committee.

Chairman Butler commended all volunteers who have served the Credit Union.

Chairman Butler introduced Michele Powers, VP of Member Services/COO, to present the following attendance awards:

3 Yrs: Dawn Strickland, Jessica Nunez
5 Yrs: Kerly Maroto, Miriam Medina
15 Yrs: Donna Jostiak, Dustin Voytko, Kevin Barnes
20 Yrs: Ed Ramos
30 Yrs: Claudia Allison

Chairman Butler thanked and congratulated all the employees for their years of service.

Chairman Butler called the business portion of the meeting to order. Marilyn Schiavo, Secretary reported that a quorum of members was present in accordance with Credit Union Bylaws.

Chairman Butler called for a motion to approve the minutes of the 82nd Annual Meeting. On motion by Dave Carroll, seconded by Klemie Christie, it was VOTED: To approve the

minutes of the 82nd Annual Meeting by acclamation. Motion carried.

Chairman Butler made mention of the Mission Statement and Vision Statements, the Chairman's Message, the President's Message, and the various Committee Reports that are included in the 2019 Annual Report and invited the members to review them at their leisure.

He called the members attention to the Statement of Financial Condition, noting that the credit union has over \$184 million in assets with over \$91 million in loans to the membership. The best investment is an investment in the membership. He also mentioned that total Member Equity is over \$20 million, which shows a very strong credit union.

Dave Carroll, Member of the Nominating Committee presented the Nominating Committee slate of candidates.

On motion by Norman Walker, seconded by Maxine DuPont, it was VOTED: By acclamation to elect the following members to the Board of Directors for three-year terms, expiring in 2023: Kenneth Barker, Klemie Christie, Marilyn Schiavo. Motion carried.

Chairman Butler congratulated the newly elected Directors and thanked them for their many years of service with distinction.

Chairman Butler introduced Steve Bush, President/CEO to give his annual presentation on the status of the credit union.

Steve Bush began by thanking the Board of Directors, Committee members, staff and members for being in attendance at the 83rd Annual Meeting of Gold Coast Federal Credit Union. He gave the membership an overview of his financial background and experiences. He stated that he is looking forward to working with the board and staff to develop strategies to address the next phase of Gold Coast Federal Credit Union, and that it is important that the members of the credit union have access to the same products and services as our national competitors. He stated that we will focus on creating more loan options such mortgages lending, expanding our membership eligibility and enhance the overall membership experience.

Steve Bush thanked the board, management, staff and the members for their loyalty and participation.

Chairman C. Butler complimented Steve Bush and his staff for their efforts on behalf of the Credit Union. He also commended the board and committee members for the time and effort they dedicate to the Credit Union.

As no other business was brought before the membership, the meeting was adjourned at 9:01 A.M.





Welcome our new logo in 2021:



Above: A rendering of the proposed new renovations of GCFCU's main branch in Palm Springs.

2020



BRANCH LOCATIONS

West Palm Beach (main office)

2226 S. Congress Ave.
West Palm Beach, FL 33406

Royal Palm Beach

10469 Southern Blvd.
Royal Palm Beach, FL 33411

Belle Glade

145 N. Main St. #101
Belle Glade, FL 33430

Port St. Lucie

10570 S. Federal Hwy., Suite 100
Port St. Lucie, FL 34952

BOARD OF DIRECTORS

Clinton Butler, Jr., Chair

Roy Childers, 1st Vice Chair

Ken Barker, 2nd Vice Chair

Dave Carroll, Treasurer

Marilyn Schiavo, Secretary

Klemie Christie, Director

Jim Sheehan, Director

Maxine DuPont, Director

Norman Walker, Director

Supervisory Committee

Klemie Christie, Chair

Janet Alessi

Eusebius Williams

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