

Budd Workers' Federal Credit Union No. 5621

NEWSLETTER

**PUBLISHED BY BUDD FEDERAL CREDIT UNION EDUCATION COMMITTEE
2340 WEST HUNTING PARK AVENUE, PHILADELPHIA, PA 19140, BALDWIN3-6879
OUTSIDE PA CALL: 1-800-523-3349**



April, 1984

THE BUDD WORKERS' FEDERAL CREDIT UNION TO OPEN NEW CENTRAL OFFICE



The Board of Directors' are pleased to announce the near completion of it's new Central Office located at 3110 Grant Ave. Phila. Pa. This new office will help to extend our service area to the membership, plus this new building will now allow the Credit Union to expand for future services which were not possible because of the limited amount of space in our present location. A more detailed explanation of the Credit Union's expansion is on Page 2 under the **President's Report**.

The Hunting Park Office will remain intact, and preliminary plans are in process to renovate and expand this office in order to insure the members confidentiality and service while in the transactions of their services.

36th ANNUAL MEETING

PRESIDENT'S REPORT

The Credit Union's rapid growth in membership, assets and increased members' services have necessitated the Board of Directors to authorize the Manager to study the future needs of our Credit Union's operation as related to size requirements and thereby plan for the ability of the staff to adequately serve our members.

In early Spring of 1983, a study authorized by the Board of Directors was initiated through William White Company, an auditing — accounting firm and a building consulting firm of Wilkinson Associated, Inc.

The study revealed that over the past three years the Credit Union has had a growth in assets of 22.95% per year and a growth of 20.71% per year in reserves and retained income along with a growth in members savings of 31.32%. The study, further reported that based on our Credit Union's experience in past years, the Credit Union could double its assets in 1986 and triple its size by 1988.

Acting upon the recommendations of Wilkinson Associates and the Building Committee, the Board of Directors authorized the purchase of land and building located on Grant Avenue in Northeast Philadelphia at an initial cost of \$225,000 for the operation of a Central Credit Union office serving all our members south to Tennessee and as far as west to Nebraska.

The Board of Directors, in September 1983, granted approval to proceed to build with the selection of an architect to provide plans and specifications for the new headquarters which would provide improved efficiency of daily operations and services.

Elements of the new headquarters interior design will include that functional layout as work stations and public corridors be positioned so that travel from one area to another will not cause disturbance and public areas would be sufficiently large to accommodate members without causing groupings of people about work stations in order to ensure members maximum confidentiality.

Completion date of renovation and opening of the Central Office is scheduled for Mid-April 1984.

I wish to express my sincere appreciation to your Board of Directors, our Credit Union Manager and the Building Committee who have planned and contributed many hours to make this building program a reality of success.

Sincerely & Fraternaly,
Tony Dwornitski

The Budd Workers' Federal Credit Union held its 36th Business Meeting at the Four Chefs, Philadelphia, Pa. on Saturday, March 10, 1984. Approximately 600 members, spouses and friends were in attendance.

President Tony Dwornitski introduced the Officers for the past year, who were in addition to himself, John Mucerino, 1st Vice President; Joseph Thompson, 2nd Vice President; Bruce Foulke, Treasurer-Manager; Ceil Hafner, Recording Secretary; and the following Board of Directors Al Nanners, Joseph H. Thompson, Susan Barrios, Evan Jones, Robert Muse, Alice Lippincott, Elwood Lange, Emil Tedeschi and Donald Kilcullen. President Dwornitski thanked them all for their service and dedication to the members.

Henry Gryn made the nominating report for the following nominations for Board of Directors, Sue Barrios and Evan Jones for a three (3) year term. Both were re-elected. Serving also on the Nominating Committee were Joseph Ferrara and Herbert Countley.

Immediately following the election of Board of Directors, the Board of Directors held elections for Executive Officers for 1984. Tony Dwornitski was re-elected President, John Mucerino, 1st Vice President, Joseph J. Thompson, 2nd Vice President, Bruce Foulke, Treasurer and Ceil Hafner, Recording Secretary.

The Business Meeting was followed by a sit-down dinner of chicken & beef, show time and dancing to a four piece band to the wee hours of the morning. Door prizes were awarded to the lucky members present.

STATEMENT OF FINANCIAL CONDITIONS

ASSETS

Loans.....	\$11,476,136.16
Less Allowance for Loan Losses	148,325.33
Net	<u>\$11,327,810.83</u>
Cash	106,721.83
Investments	6,697,161.17
Accrued Income	9,735.37
Prepaid and Deferred Expenses	25.94
Land	3,000.00
Building	11,640.00
Furniture and Equipment	117,373.91
New Building	237,880.52
Other Assets	5,895.62
TOTAL ASSETS	<u>\$18,517,245.19</u>

LIABILITIES AND EQUITY

Accounts Payable.....	\$91,832.32
Taxes Payable	8,663.21
Other Liabilities	4,480,582.48
Total Liabilities	<u>\$4,581,078.01</u>
Shares	10,697,244.93
Drafts	262,393.22
IRA	1,694,114.52
Regular Reserve	446,533.46
Undivided Earnings	835,881.05
Total Liabilities and Equity	<u>\$18,517,245.19</u>

FALSE OR FRAUDULENT STATEMENTS

It is a Federal Crime for anyone "knowingly" to make any false statement or report or "willfully" to "overvalue any land, property or security for the purpose of influencing in any way the action" of a Federal Credit Union upon "any application, advance, discount, purchase, purchase agreement, repurchase agreement, commitment, or loan, or any change or extension of any of the same."

Penalties provided include a fine of not more than \$5,000 or imprisonment for not more than two years, or both.

Reporting Violations:

Violations and suspected violations of the United States Code should be reported to the Federal Bureau of Investigation and to the Regional Office of the NCU (File: 060).

Application:

1. It is essential under the criminal code that the false statements and overvaluations complained of were made knowingly or willfully. The substance of this requirement is that the borrower knew that their representation to the credit union was incorrect and that he or she made the representation intending that the credit union should rely on it. Misrepresentations made by mistake or in good faith are not crimes.

2. Acts which clearly come within the provisions of the Criminal Code include the forging of a co-maker's signature on a note, false statements as to the ownership of property offered as security for a loan, false statements as to the value of such property, false statements to the purpose of the loan, and false statements as to marital status, employment or other financial obligations of the borrower.

CHECKING ACCOUNTS NOW AVAILABLE

We now realize that convenience of a bank checking account has always been important to members.

And now, the Budd Workers' Federal Credit Union is pleased to introduce Share Drafts - our new service that is superior to checking accounts in several important ways.

First your Share Draft account at our Credit Union will earn 6% Apr. dividend compounded daily.

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| Second | - | Free Checks |
| Third | - | No Minimum Balance |
| Fourth | - | You may cash these checks at any First Penna. Bank and at Continental Bank at 22nd & Huntingdon Park Ave. and Bustleton Avenue, Phila. |
| Fifth | - | Telephone transfers from shares to checking account. |
| Sixth | - | No Monthly Service Charge |
| Seventh | - | Direct Payroll Deduction |
| Eighth | - | Cash through "Mac" Automatic Teller Machine. |
| Ninth | - | Make deposit through "Mac" |
| Tenth | - | Free overdraft from shares. |

Need Major Home Repairs? Start with a Low-Cost CU Loan

When you come out of winter hibernation, it's a good idea to inspect the exterior of your home to see how it held up and to take steps to prevent major problems. If any roof shingles have curled, use asphalt roofing compound to put them back. Replace any missing shingles right away. Fill gaps around the chimney with asphalt cement. Clean gutters and downspouts and replace broken hangers.

Next, look at the siding. Fill split siding with silicone or vinyl caulking compound. Hammer in popped nails and replace those that are missing with threaded galvanized nails. On the ground level, fill cracks in your foundation with concrete repair patch. Fill holes in asphalt driveway with pre-mixed blacktop filler, cover with plywood and drive your car over the wood to compact the asphalt in the holes.

Annual maintenance can prevent major home repairs. Should you discover that a major improvement is needed, get some estimates and visit your credit union for a low-cost home repair loan. We'll help you increase your home's value without wrecking your budget.

\$ \$ \$

LAYOFF DOESN'T DELAY DUE DATE ON LOANS

Federal regulatory standards require that the Credit Union to continue to collect loan payments from members who may be out of work due to sickness or layoffs.

Federal regulation have set standards to which we must adhere and those standards require that we continue to collect on loan payments.

We realize that when a member is out of work, whatever the reason, the member's financial picture is certainly weakened. It is a time when the Credit Union is needed most and we are prepared to help members get through such financially difficult times. However, it is the RESPONSIBILITY of the member to contact the Credit Union.

"In most instances, if a member does seek help from the Credit Union, arrangements can be made for a payment schedule requiring a lesser amount each month until the member resumes work".

The Credit Union is more lenient than other financial institutions when it comes to these type of problems. Also, we are aware of the benefit received by employees during layoffs and periods of sickness and expect members to have the courtesy to contact us about their payment arrangement. Otherwise, we must by law pursue to legal avenues as the last resort.

Treasurer/Manager Report

The year 1983 was a significant, historical, and financially good year for the Budd Workers' Federal Credit Union. The Credit Union experienced a 52% growth in assets over 1982.

A total of 14 million dollars was lent out to our members, and a record dividend of over 1 million dollars was paid to our members. These financial milestones have helped the Credit Union earn the prestigious reputation as one of the most progressive Credit Unions in the State of Penna. The Board of Directors & management are looking forward to a future with the same optimistic growth and services.

Three Credit Unions merged with the Budd Workers' Federal Credit Union in the first quarter of 1984. These new companies in our field of membership are - AMI, ALDAN RUBBER CO. and JWM.

The Board would like to extend a *warm welcome* to these new members, and look forward to servicing them.

Bruce K. Foulke, Manager

INVESTMENT BLOCK

WE ARE NOW PAYING THE FOLLOWING DIVIDEND RATES —
IRA earns 11%. Effective yield 11.46%

Money Market Certificates earn 10%. Effective yield 10.25%. Minimum \$10,000.00. Term 180 days - compounded semi-annually.

Bonus Plus Certificate earns 9.75%. Minimum \$4,000.00. Terms 3 - 12 months - dividends at maturity.

1 Year Certificate earns 9.50%. Minimum \$2,000.00

18 - 30 Month Certificate earns 11%. Effective yield 11.46%. Minimum \$2,000.00 Compounded quarterly.

Regular Shares earn 7% - 7¼%. Effective yield 7.19% to 7.45%. Minimum \$15.00 plus up to \$4,000.00 of Share Life Insurance. After you reach \$2,005.00 in your Shares the account earns 7¼% on the whole account.

Christmas and Vacation Clubs earn 7%. Effective yield 7.19%. Minimum \$5.00. Compounded quarterly.

Checking Account earns 6%.

BUDD WORKERS'
FEDERAL CREDIT UNION
HUNTING PARK OFFICE
2340 West Hunting Park Avenue
Philadelphia, Pennsylvania 19140

Hours of Operation
Monday thru Friday
8:00 A.M. to 4:30 P.M.
Telephone: BA 3-6879

OUTSIDE PA -
1-800-523-3349
INSIDE PA -
1-800-342-0008

CENTRAL OFFICE
3110 Grant Avenue
Philadelphia, Pennsylvania 19114
PHONE: (215) 969-0777

DOWNINGTON
BRANCH OFFICE
Hours of Operation
Mon. - Wed. - Fri.
12:30 P.M. to 4:30 P.M.
Telephone: 269-8314
P.O. Box 184
Downington, PA 19335

KAISER PLYMOUTH
MEETING OFFICE
P.O. Box 216
Plymouth Meeting, PA 19462
215-825-4500

Vernoa, PA
1-412-771-9552