COREPLUS CREDIT UNION

Smart Banking. Community Trusted.

Ray Currier - President and CEO

Jean Swift - Chair

Board of Directors:

Jean Swift, Chair
Nancy Bulkeley, Vice Chair
Louis Fusaro, Sr., Treasurer
David Moorehead, Secretary
Kyle Dykes, Director
Kenneth Levy, Director
Jesse Luis, Director

Listening. Understanding. Acting.

Empowering you to take control of your financial future.

Ashley Main
Call Center Manager
Call Center

Maria Shea
Branch Manager
East Lyme

Melissa Pray
Senior Member Service Representative
Groton

Keith Fields
Branch Manager
Foxwoods

Tracy Lewis
Branch Officer
Norwich

Taylor Anthony
Branch Manager
Pawcatuck

Karla Drainville
Branch Manager
Plainfield

Nicole Winston
Branch Manager
Waterford

Thank You for an Award-Winning Year!

In 2024 CorePlus was voted The Day's ***Best of the Best Credit Union*** for the second year in a row.

CorePlus.org | **860-886-0576** **800-724-0779** | 202 Salem Turnpike, Norwich, CT 06360 | NCUA

The Best Is Yet To Come.

Your goals, our mission.
Stronger together for what's ahead.

2024 Annual Report to our members + community

COREPLUS CREDIT UNION

Smart Banking. Community Trusted.

Letter from the Board Chair and President

Dear Members: As we reflect on 88 years of service and humble beginnings, “The Best is Yet to Come” for your credit union. Throughout 2024 the CorePlus Board and management team have been focused on our future and keeping pace with technology in order to be relevant to our members in today’s rapidly changing world, and the next generation of credit union members.

Keeping pace with technology is vital to offering a positive member service experience. In 2024, we broadened our investments in digital technology, adding mobile wallets, secure chat, and video chat. We now offer members the ability to book an appointment at any of our locations online at coreplus.org. We launched a new website that is easier for members to navigate. Our lending team generated $87 million in loans to our membership.

Our hard work hasn’t gone unnoticed. The CT Green Bank honored CorePlus with the “Outstanding Lending Partner” award for our work in providing financing for energy efficiency upgrades and solar projects for our members. We also wish to thank our members for voting CorePlus the best credit union in The Day’s Readers’ Choice Awards for the second year in a row.

Supporting our local nonprofits is important to Coreplus. This is our way of giving back to a community that continues to put their trust in us. In 2024 we supported over 55 nonprofit organizations with over $85,000 in donations and sponsorships. Our employees volunteered over 800 hours of their time to make our community a better place. For more information on our philanthropic efforts, please be sure to review our 2024 Community Impact Report.

We are very proud of our 2024 financial accomplishments. We ended 2024 with total assets of $343.3 million, up 2.53% over 2023. Our net worth ratio was 8.93%, well above the regulatory requirement of 7.00% for a well-capitalized credit union. Our strong net worth ratio combined with just over $2 million in net income is a testament to the safety and soundness of your credit union.

Fraud prevention continues to be a top priority for our team. Our fraud team prevented $436,373 in member losses in 2024. The team conducted member informational seminars on fraud prevention and how to recognize scams.

Our youth are our future leaders, and the next generation of credit union members. We feel it is our responsibility as a community credit union to provide educational resources for young people, and invite them to get a healthy financial start with our new Youth Super Saver account. Our team of professionals have worked with local school districts to host financial reality fairs as well as individualized classroom training. We’re also conducting financial education for members of any age with our six-part education series in conjunction with Otis Library in Norwich. In the next year, we will be adding a community education department that will work full-time on youth and community financial education with an extended focus on fraud prevention, particularly for our senior members.

Consolidation in the banking industry is happening all around us and the number of both credit unions and banks continue to decline each year. The NCUA reports a total of 4,455 federally insured credit unions at the end of 2024, down from 7,339 credit unions in 2010. The smaller credit unions and banks are struggling to afford talent and technology, and to compete at a sufficient scale. At nearly $350 million in assets, CorePlus is currently able to keep pace, with our larger competitors. The looming question has been whether or not we can continue to keep pace and for how long?

In early 2024 the Board and CEO began to proactively explore potential partnership opportunities where we could gain sufficient scale for the future, while holding onto our values and commitment to our members. After 15 months of discussions and extensive due diligence, CorePlus and Groton-based Scient Federal Credit Union have signed a merger agreement. The boards of both institutions consider this a merger of equals as both credit unions are financially healthy and of like size. The credit unions have much in common, with similar fields of membership, thriving auto lending businesses, and a commitment to their members and communities. The agreement to merge is pending regulatory approval and the approval of Scient’s membership.

The combination of the two credit unions is anticipated to take place in September 2025, with systems consolidation being completed in the second quarter of 2026. The combined entity will be on the cusp of $700 million in total assets, with strong regulatory capital. It will be well-positioned for continued investments in member service, community and growth. Be on the lookout for an announcement regarding a new name for the combined organization later this year or early in 2026. For more information on this pending union, including member benefits, please visit us at coreplus.org or scientfcu.org.

Our merger with Scient and the member benefits that will come from this union is the primary reason we chose the theme for this year’s letter to the membership. The Board and management of both organizations, genuinely believe, “The best is yet to come.”

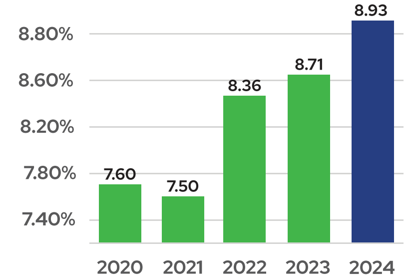
CorePlus Federal Credit Union - Statement of Financial Condition

(For The Years Ended December 31, 2024 and 2023)	2024	2023
Assets		
Cash	$ 9,700,478	$ 7,766,180
Investments	78,092,161	59,542,752
Loans to Members (Net)	229,311,812	238,284,935
Purchased Loans	16,258,016	18,801,736
Other Assets	10,009,802	10,219,173
Total Assets	$ 343,372,269	$ 334,614,776
Liabilities and Members’ Equities		
Liabilities		
Members’ Shares and Savings Accounts	305,388,402	293,417,444
Non-Member Deposits	2,881,000	3,875,000
Borrowed Funds	8,000,000	12,000,000
Accrued Expenses and Other Liabilities	2,662,300	2,759,735
Total Liabilities	318,931,702	312,052,179
Members’ Equities		
Regular Reserves	2,931,294	2,931,294
Undivided Earnings and Other Accounts	21,509,273	19,631,303
Total Members’ Equities	24,440,567	22,562,597
Total Liabilities and Equity	$343,372,269	$ 334,614,776

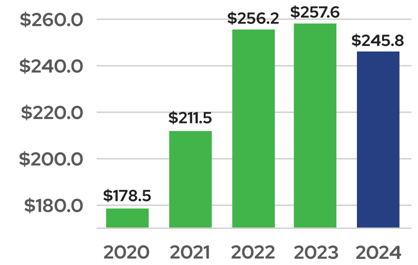
CorePlus Federal Credit Union - Statement of Income

(For The Years Ended December 31, 2024 and 2023)	2024	2023
Income		
Income on Loans	$ 14,136,182	$ 12,788,846
Income on Investments	3,190,627	1,835,200
Other Income	3,627,593	3,743,079
Total Income	20,954,402	18,367,125
Expenses		
Employee Compensation and Benefits	5,799,746	5,691,447
Office Occupancy and Operations	2,212,682	2,250,571
Other Expenses	5,172,187	4,441,529
Provision for Loan Losses	1,602,259	2,321,077
Total Expenses	14,786,874	14,704,624
Net Income Before Dividends	6,167,528	3,662,501
Members’ Dividends	4,010,786	2,136,491
Net (Loss) Income	$ 2,156,742	$ 1,526,010

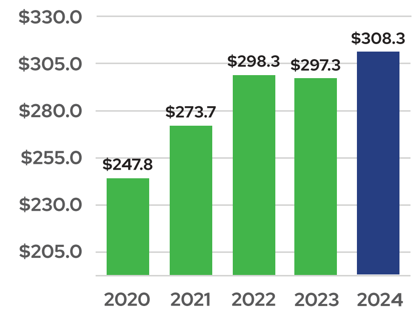
Net Worth Ratio



Total Loans (in millions)



Total Shares and Deposits (in millions)



	2024	2023
Member Growth	3.74%	1.32%
Share Growth	4.08%	0.90%
Loan Growth	-3.68%	4.18%
Change in Equity	7.66%	8.90%
Asset Growth	2.68%	1.09%
Percentage of Income Returned to Members in the Form of Dividends	19.14%	11.63%
Loans Made YTD	$87,428,137	$90,502,802
# of Loans made YTD	3,596	3,683
# of Share Accounts	44,967	44,648
# of Certificate Accounts (all)	3,020	2,552
# of Loan Accounts	14,368	14,669
# of Members	30,058	29,357

ANNUAL REPORT

2024

Improving people's lives with creative solutions

SCIENT Federal Credit Union℠

Services

SAVINGS & CHECKING PROGRAMS

- Share Savings Accounts
- Free Checking with eStatements
- Checking Plus Account
- MySci Savings and Checking Accounts
- Regular and Premium Money Market Accounts
- Share Certificates
- Change Maker Savings Account
- Club Accounts
- Individual Retirement Accounts (IRAs)
- Coverdell Education Savings Accounts

CONSUMER LOANS

- Vehicle Loans
- Signature Personal Loan
- Personal Line of Credit
- Home Improvement Loans
- Land Loans
- Consumer Visa® Card*
- Business Visa® Card*
- Deposit Secured Loan
- Education Loans
- Executive Reserve Line of Credit

MORTGAGE & EQUITY LOANS

- Fixed-Rate Mortgages
- Adjustable-Rate Mortgages
- SMARTChoice Mortgages
- No-Closing-Cost Mortgages
- Fixed-Rate Home Equity Loans
- Home Equity Line of Credit

ACCESS YOUR ACCOUNTS ANYWHERE, ANYTIME

- Mobile App with Mobile Deposit
- Online Banking
- Free Unlimited Online Bill Payment
- Free Account Alerts via email or text
- Free ATM Transactions at over 30,000 CO-OP® Network ATMs Nationwide
- Free Account Transactions at over 5,000 CO-OP® Shared Branches Nationwide
- Payment Access via Apple Pay®, Samsung Pay™, Android Pay™

*Through Elan Financial Services

2024 by the numbers

18,873	$62,655,996	$18,620,497	$3,108,824
Total Members	*Auto Loans Made*	*Mortgage Loans Made*	*Consumer Loans Made*

Letter from the Board Chair & President/CEO

Thank you for this opportunity to address you on behalf of the Scient staff, the Leadership team, and the Board of Directors. I'd first like to recognize the Scient Leadership Team in appreciation for their unwavering dedication. We truly are fortunate to have this All-Star crew leading us! I must also recognize and appreciate the efforts of the entire Scient staff for their dedication and diligence. As well, I offer a huge and heartfelt thank you to you, the members of our Scient family, for your support and trust.

We are especially proud of the continued outstanding efforts and performance of our Collections team keeping the provision for credit loss expenses remarkably low. With sustained profitability over the last nine years, Scient continues to invest in innovative technologies to enhance our services enabling members to seamlessly conduct business in-person as well as online and mobile. A few notable accomplishments in 2024 included:

- The launch of business deposit product offerings, Land loans & Home Improvement loans;
- Conducted two First-time Homebuyer Events for the community, which were very well received;
- In partnership with Cover Right, members were provided with value-added assistance when signing up for Medicare;
- The installation of a new ATM & Kiosk at the Colver Avenue branch; and
- Our leadership secured an additional liquidity source at the Federal Reserve Bank of Boston

Overall, our 2024 initiatives met and exceeded our plan expectations. Going forward, some notable initiatives for 2025 include:

- Multi-Factor Authentication for online banking which will be implemented April 1st. This will serve to reduce the risk of account takeovers and provide additional security for users and their accounts and enhance the credit union's security overall.
- The State of CT passed legislation that makes Lenders responsible for the refund of aftermarket products for members who satisfy their vehicle loans early. We will seek to achieve automation of this very complicated process and ensure that we are in compliance with all State regulations.
- We are also exploring the implementation of Health Savings Account offerings for members.

As you see, there are many exciting things on the horizon to enhance our member experiences overall.

Throughout the year, Scient remained committed to its presence in the community, increasing its engagement and outreach through financial education programs, event sponsorships, and food drives, to name a few. We will continue to look for additional opportunities to be strong community partners in meaningful ways. Our All-Star Leadership Team also provided fun and engaging events to appreciate the staff throughout the year. I am immensely proud to share that, for the second year in a row, Scient FCU has been recognized as a "Best Places to Work in Connecticut" by the Hartford Business Journal.

Finally, we thank you for your membership and look forward to improving our member's lives with creative solutions. Wherever you are, we are with you to help meet your financial needs.

Karen Walters
Board Chair

Chris Maynard
President & CEO

Treasurer's Report

The credit union continued to operate profitably and added to its capital reserves during the year. Scient would have earned $456 thousand, except for the one-time charge of $300 thousand to settle a 2017 auto loan class action. Scient produced a modest Return on Assets (ROA) of 4 basis points. Net Worth at year end 2024 aggregates to $31.1 million, an increase of $200 thousand from 2023. Scient continues to be classified under current regulations as 'well-capitalized'. Assets at year-end were $341.9 million, a decrease of $13.8 million, or 3.9% from the prior year.

Scient's success shows in its results:

- $84.4 million in loans to members were granted in 2024 and $279.4 million in loans were outstanding as of year-end. Scient's Interest Income on loans for the year was $13.4 million, a $1.4 million, or 12% increase, from the prior year.
- $268.9 million was on deposit at the credit union as of year-end, a 4.5% decrease from the prior year. Over $4.7 million in interest was paid on deposits held at Scient in 2024.

Operating expenses increased year-over-year by $84 thousand, as 2023 expenses were elevated due to a core processor conversion. The provision provided for credit losses of $559 thousand was $311 thousand, or 36%, better than budget. In addition, Scient services $18.9 million of member real estate loans and $25.0 million of auto loans that it has participated in other credit unions.

Scient continues to work closely with its members experiencing financial difficulties. Scient's loan restructuring program at year-end extended to 25 members, with 4 approved for the program in 2024. The collections department, working with members, recovered $176 thousand in previously charged-off loans.

Scient's liquidity, or cash position, remains well managed. Scient pledged auto loans to the Federal Reserve Bank in 2024, increasing its borrowing capacity from $78.9 million in 2023 to $137.2 million at year end. Unused lines of credit for liquidity at year-end were $95.2 million compared to $35.9 million in 2023. Outstanding borrowings from the Federal Home Loan Bank of Boston were $42 million at year end, a decrease of $1 million from 2023.

As Treasurer and a Scient Board member for many years, I would like to personally thank each and every member for making Scient Federal Credit Union what it is today. We truly value you, our members/owners, and appreciate our continued relationship as your credit union.

Sincerely,

Adam Smogowicz
Treasurer

Statements of Financial Condition

ASSETS	2024*	2023*
Cash & Cash Equivalents	$20,631,741	$18,679,587
Interest Bearing Deposits	$6,355,933	$1,952,002
INVESTMENTS		
Available for Sale	$21,412,019	$24,246,903
Held to Maturity	$201,739	$170,705
Loans to Members Net Allowance for Credit Losses	$276,866,121	$294,978,579
Accrued Interest Receivable	$1,072,410	$1,009,123
Prepaid & Other Assets	$10,123,333	$9,344,518
Property & Equipment	$2,977,376	$2,835,302
NCUSIF Deposit	$2,235,247	$2,476,402
TOTAL ASSETS	**$341,875,920**	**$355,693,122**

LIABILITIES & MEMBER EQUITY	2024*	2023*
LIABILITIES		
Members' Share & Savings Accounts	$268,951,077	$281,623,085
Borrowed Funds	$42,000,000	$43,000,000
Accounts Payable & Accrued Liabilities	$4,004,037	$4,163,560
Total Liabilities	**$314,955,114**	**$328,786,645**
MEMBER EQUITY		
Regular Reserve	-	-
Undivided Earnings	$31,087,188	$30,931,283
(Accumulated Other Comprehensive Loss)	($4,166,382)	($4,024,806)
Total Member Equity	**$26,920,806**	**$26,906,477**
TOTAL LIABILITIES & MEMBER EQUITY	**$341,875,920**	**$355,693,122**

Statements of Income

	2024*	2023*
INTEREST INCOME		
Loans to Members	$13,377,450	$12,000,620
Investments	$1,711,377	$1,121,171
Total Interest Income	**$15,088,827**	**$13,121,792**
INTEREST EXPENSE		
Members' Shares & Savings	$4,729,049	$4,032,073
Borrowed Funds	$2,324,736	$1,553,901
Total Interest Expense	**$7,053,785**	**$5,585,974**
Net Interest Income	**$8,035,042**	**$7,535,818**
Provision for Credit Losses	$559,499	$855,601
NET INTEREST INCOME After Provision for Credit Losses	**$7,475,543**	**$6,680,218**

	2024*	2023*
NON-INTEREST INCOME		
Miscellaneous Operating Income	$875,309	$849,252
Fees & Service Charges	$754,372	$995,753
Gain on Sale of Loans, Net	$169,061	$5,999
Total Non-Interest Income	**$1,798,741**	**$1,851,004**
	$9,274,284	**$8,531,222**
NON-INTEREST EXPENSE		
Compensation & Employee Benefits	$4,863,842	$4,567,053
Office Operating & Occupancy	$2,215,364	$2,013,676
Loan Service Expense	$989,428	$1,000,753
Other Operating	$612,455	$742,809
Other	$437,291	($1,303,672)
Total Non-Interest Expense	**$9,118,380**	**$7,020,619**
NET INCOME (LOSS)	**$155,904**	**$1,510,602**

**Unaudited – Audited financial statements as of 6/30/24 & 6/30/23 are available upon request*

Board of Directors

Karen Walters
Board Chair

Grace Vandal
Vice Chair

Adam Smogowicz
Treasurer

Brian Oat
Secretary

Glenn Wilcox
Director

Jeff Mastracchio
Director

Travis Williams
Director

Barbara Paul
Associate Director

Supervisory Committee

Alex Bancroft
Rosalia Gonzales
Brian Oat
Mark Topliff

Officers & Directors

Chris Maynard, President and CEO
John Belanger, Vice President of IT
Nicholas Breton, Vice President of Lending
Irv Hagewood, Vice President of Collections
Shana Heon, Vice President of Finance & Accounting
Shalin Peck, Vice President of Operations
Matthew Sosnowski, Vice President of Member Services and Marketing

Supervisory Committee Report

The primary responsibility of the Supervisory Committee is to serve as a means of checks and balances at the Credit Union. We are comprised of a group of dedicated volunteers appointed by the Board of Directors. It is our responsibility to ensure that Scient Federal Credit Union establishes and maintains appropriate policies, procedures, and internal controls that safeguard members' assets and privacy and fulfill the credit union's financial and regulatory responsibilities.

Internal audits on the Credit Union's policies, procedures and regulatory requirements are performed throughout the year by CPA firm, Doeren Mayhew. The frequency of these audits is based upon a Risk Assessment that we review at least annually and updated as needed throughout the year to maintain a high level of compliance. These audits help us to identify any potential concerns or issues and have them addressed before they become a bigger problem.

Based on our activities and the results of our most recent exam, the Supervisory Committee believes that the Credit Union is performing appropriately to sustain a safe and secure future; and that it is well-managed with a strong commitment to serving its membership of 18,873. As your representatives, the Supervisory Committee will continue to perform oversight activities so that we are confident members' financial interests and privacy is well protected.

I wish to thank my fellow committee members and the Doeren Mayhew team for their hard work and outstanding support during this past year. In addition, I would like to thank the Credit Union's compliance/risk manager, Courtney Burns, for her invaluable assistance to the committee.

On behalf of the entire Committee, we appreciate the opportunity to serve you and look forward to a secure and successful 2025. We want to ensure that our members are happy with our products, services, and staff at all times as the Credit Union continues to grow.

We urge you to contact any member of the Credit Union's staff, management, or board with any comments or questions that you might have. You may also report any issues anonymously to the Supervisory Committee through the "Report It" link located on the Credit Union website.

Thank you,

Alex Bancroft
Chair of the Supervisory Committee

SCIENT
Federal Credit Union℠

Corporate and Main Office
60 Colver Avenue
Groton, CT

Pfizer Groton, CT
445 Eastern Point Road Building 220
Amenities Corridor
Groton, CT

New Haven, CT-*Postal*
50 Brewery Street
New Haven, CT

New London, CT
243 Bank Street
New London, CT

Improving people's lives with creative solutions

scientfcu.org

Federally Insured by NCUA

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