



Building Bridges, Opening Doors



20 24 Annual Report



Alternatives

FEDERAL CREDIT UNION



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Community Outreach & Education

Living the Mission

78%

percent of total businesses served with Technical Assistance owned by racial/ethnic minorities or women

1022

Number of financial and housing counseling sessions



445

Number of Technical Assistance sessions for businesses

By focusing on ability to pay and not credit scores, Alternatives is able to provide safe, affordable loans that help borrowers avoid exploitative predatory lenders.

\$1,519,226

in auto loans to borrowers facing credit challenges

21%

of consumer loans to borrowers with credit scores under 580.





86%

of personal and auto loans went to low-income households and communities

72%

of business loans went to low-income households and communities



68%

of mortgage loans went to low-income households and communities

51%

increase in lending activity in Chemung County

Message from Our CEO

Kevin Mietlicki

2024 was a busy year for Alternatives Federal Credit Union. The Board and our senior management team began the process of updating our strategic plan during early Spring. The credit union was then presented with the opportunity to bring Lexington Avenue Federal Credit Union, located in Rochester, NY, into our field of membership. Management and the Board decided to pursue this merger to gain access to the Rochester under-served market. We felt that bringing our financial education abilities and low-income target market lending to this marketplace will be a win for that community and the credit union. As a Low-Income designated Community Development Financial Institution (CDFI), we are always looking for communities that can benefit from our services. We welcome some 3,000 new Alternatives members and look forward to sharing with them the benefits of Alternatives FCU membership while welcoming new members from the Rochester communities.

The merger kept our whole team busy throughout the remainder of the year. I can't thank the incredible staff of Alternatives enough for the way they have handled a task we have never undertaken before. We learned many things along the way and will forever be a better organization because of it. I want to thank the membership for the many words of encouragement and support we have received during the project. Changes we have made to our systems because of the merger will not only serve the members joining us from Rochester but have positive benefits for the existing Alternatives members also.

Many of the upgrades originating from the merger will not be seen by members but experienced through better service because of updates to our service platforms. One change everyone has been able to see in 2024 is the refresh of the Alternatives Federal Credit Union branding and Ithaca lobby space as well as an upgrade to our website.

Continued...



Message from Our CEO

Kevin Mietlicki

Continued...

The website upgrade should provide easier access to the educational and lending items our members come to us for.

Change is constant. One thing we have not changed at Alternatives is our mission to provide financial education and impact lending to our communities. Alternatives was recognized in 2024 for the work we do by being awarded a CDFI grant of \$1.25 million from the US Treasury CDFI Fund. This grant will assist the credit union with the expansion of our services. A big thank you to the team of Alternatives employees that did the work to put together a successful grant request! In 2024, grants like this made it possible for Alternatives to conduct over 2200 financial education or business support sessions, and for additional individuals to access helpful educational resources nearly 1700 times. Workshops, webinars, one-on-ones and online education sessions help provide members and non-members answers to their questions about their finances. We also continue to work with the New York State Credit Union Association to ask our representatives in Albany to make financial education a requirement in our schools. As a CDFI we have a goal to provide over 60% of our lending to the low-income target markets in our community. I am proud to tell you that in 2024, 84% of our loans were given out in this market accounting for 76% of all lending dollars. That is over \$8.5 million in lending going to our members living at 80% or less than the area median income level.

Alternatives owes its success to our members, volunteers and employees who come together to support a more inclusive means of community banking. I am proud to represent all of you at the many meetings I attend locally, in Albany and in our nation's capital. We have a great story to tell of how lives can be enriched by a financial institution willing to look for ways to assist its lower-earning members. The recent administration change in Washington is going to place a strain on all our abilities to continue this work. Credit unions have long depended upon grassroots activism to get banking regulations and legislation passed that enable us to do our work. Remember our credit union differences of lower fees, lower loan rates, higher deposit rates, volunteer boards, one member one vote and a return of proceeds into the local economy and communities. The system is going to be tested, and you may see more from us calling upon our members to join us in reaching out to our elected officials to tell them that you are a credit union member and what that means to you. Consumer protections and federal regulators will be under attack with ill timed or poor planned decisions. It will take all of us to make our voices heard.

All the employees, board members and volunteers of Alternatives will continue to make you proud to say that you are a part of the Alternatives Federal Credit Union family. We look forward to continuing to assist our members and our communities in reaching their financial goals to make life-changing impacts.

Message from Our Board Chair

Brian DeYoung



As I reflect on nearly ten years of service on the Board of Alternatives, I am repeatedly reminded of how much there is to know about running a CDFI credit union. When I was first appointed in October 2015 (and later elected in June 2016), I wasn't entirely sure what a CDFI was. If you're unsure too, that's okay. For a quick reminder, we are a Community Development Financial Institution—a bit of a mouthful, I know. But what's important to understand is that your Credit Union exists to help low-income and underserved individuals, small businesses, and community organizations access the financial resources they need.

Speaking of acronyms, another one we are trying to say in words instead of letters is Alternatives Federal Credit Union—quite a lot to write on the back of a check! Personally, I use Alternatives FCU, though there are other AFCUs out there. To be clear, we're not in Alabama, and we're certainly not America First Credit Union—we are Alternatives.

When I first moved to the area, I was told that Alternatives was “the hippy bank.” Well, Alternatives we are. And Alternatives are often needed. Who doesn't like choices? While we've grown in size and stature over the years, you can still wear your tie-dye when you visit the lobby.

Speaking of visiting the lobby, if you're not familiar with our mobile app, I encourage you to set up an appointment with a staff member to learn how to use it. While I personally enjoy stopping by and seeing the friendly team at Alternatives, I also appreciate the convenience of digital banking—it can save you time, even if you only use it occasionally.

Now is also a great time to review your financial situation. Maybe you could get a lower rate on your car or personal loan with us. Maybe you're not low-income yourself, but you support Alternatives because you believe in what we do. If so, thank you! Moving part of your savings or a CD to Alternatives helps strengthen our mission and allows us to serve more members.

We understand many people use multiple financial institutions—I use three myself. But if you do, you've probably noticed that we have the easiest website for account reconciliation; easy to navigate and easy to make payments on-line.

Other services we offer are as simple (and as important) as having someone to ask a question to. Recently, Alternatives helped me modify two loans from another institution and secure a lower rate. Another time, when I was uncertain about accepting a check from someone I didn't know, Alternatives guided me through the decision-making process. That kind of support is invaluable.

What I love most about being part of Alternatives is the dedication of the staff, employees, and my fellow Board members. Thank you for being a part of our community. Thank you for being a part of our credit union. It's good to have Alternatives.

Treasurer's Report

Michele Johnson

In 2024, Alternatives Federal Credit Union had the opportunity to merge in Lexington Avenue FCU out of Rochester. The merger added approximately 3,000 members to our member base and a new service area in the City of Rochester. Due in large part to the merger activity, Alternatives enjoyed a 7.86% increase in loans and a 10.28% increase in member deposits.

To succeed with our community investment goals, we must also maintain a profitable bottom line to remain financially sound today and in the future. Your credit union finished the year with a net income of \$349,768. Our overall capital/asset ratio is a healthy 10.91%.

The credit union ended the year on strong financial footing that will enable us to expand our mission outside of our current service areas and strengthen community engagement in more communities that need the products and services we offer.



Supervisory Committee Report

Richard Lansdowne, Chair

The Supervisory Committee is made up of volunteer members appointed by the Board of Directors of Alternatives in accordance with the Federal Credit Union Act to help ensure the safety and soundness of the operations and activities of your Credit Union. The Committee evaluates the financial operation of the Credit Union as well as management procedures and practices to safeguard member assets and serve the community. To carry out these responsibilities, the Committee retains Sciarabba Walker & Co., LLP to perform required annual audits to assure that the Credit Union's financial reports conform with generally accepted accounting principles. Auditors are also engaged to perform additional audit and review responsibilities on a quarterly and periodic basis to assist the committee in fulfilling its responsibilities.

With the assistance of an Alternatives employee, the Committee ensures that additional internal reviews of practices and procedures of the credit union are conducted throughout the year.

In order to represent membership, the Committee should be aware of your concerns. You may contact our regulator, the National Credit Union Association (NCUA), or the Supervisory Committee at supervisory@alternatives.org, and your inquiry will be addressed in an impartial and confidential manner.



Lexington Ave Merger



When Alternatives grows, so does its ability to make an impact on the communities it serves. It also has the opportunity to deliver further on its mission: to help build and protect wealth for people with diverse identities who have been historically marginalized by the financial industry, especially those with low wealth or identifying as Black, indigenous, or people of color. The merger with Lexington Avenue Federal Credit Union in Rochester is bringing together two organizations with significant overlap in terms of mission. Online and back-end systems are scheduled to officially merge in early March, but the collaboration has already begun in earnest, providing more back-office support and access to new and different services and products to members in the Flower City.

Lexington Ave FCU was founded in 1959 to support employees of Rochester Products, now a part of General Motors. Classified as a Low-Income Credit Union, its work is complementary to and similar in many ways to that of Alternatives. A Low-Income Credit Union serves a community of members of which more than 50 percent have a family income of 80 percent or less than the median family income for the Rochester metro area (or those members who earn 80 percent or less than the total median earnings in the area, whichever is greater). Small but mighty, the organization serves roughly 3,300 members (as of 2025) with a team of fewer than 10 people. At the time of the merger, it had just over \$19 million in assets, bringing Alternatives' total assets to \$166 million. Despite this growth, Alternatives remains a small credit union compared to the region's billion-dollar banks and credit unions.

Aaron King has served as Manager at Lexington Ave since 2016 and ran point on the project management of the merger since the decision was finalized. He says he's excited about the opportunities the merger presents for his longtime members in Rochester and beyond.

Continued...

Lexington Ave members will enjoy new services thanks to the merger!

Conventional mortgage products

Remote check deposit via web/app

Mortgage programs for first-time homebuyers

Loans for small businesses and start-ups

Financial counseling to help build credit and manage debt

Loan officers who are certified financial counselors

Checking and savings accounts with cash back rewards and refunds on out-of-network ATM withdrawal fees (up to \$25 per cycle)

Account access nationwide using over 5,600 Credit Unions and 30,000 Surcharge-Free ATMs via the CO-OP Network

Small Business support, offering comprehensive, no-cost education in startups, marketing, finance, and management

Digital wallet, featuring Apple/Samsung/Google Pay and Visa Secure Remote Commerce, which makes online payments easier and more secure

Lexington Ave Merger

Continued...

More staff for ease of access to information and services will be central, he explains, as will increased capital for things like facilities, services, and community investments.

“It’s something that’s been very well thought-out,” King says. “Together, we’re better off.”

“Great member service will continue for our Ithaca branch members,” says Bea Nellenback, Alternatives’ Development Director. “And members at both locations and throughout the region will see some changes to offerings.

Chief Executive Officer Kevin Mietlicki says teaming up with Lexington Ave is part of a larger, long-term plan to have a greater impact. And now that the necessary infrastructure work has been completed to pave the way for a successful merger with Lexington Ave FCU, Alternatives is well positioned to grow further. He added that the growth needs to be strategic, and that merging with Lexington Ave was a good opportunity because of their shared and overlapping mission and goals.

“This is an exciting time for our credit union, and we are delighted to welcome our new members joining us from Lexington Avenue Federal Credit Union,” Mietlicki explains. “This merger places Alternatives in an even stronger financial position, enabling us to continue to expand upon our community development work that is the core of who we are. Providing exemplary service to both our longtime and new members will remain our top priority.”

When Mietlicki began working in credit unions 30 years ago, he says there were more than 12,000 of them throughout the United States. Today, that number has dropped below 5,000. There are fewer than 300 in New York. So, a merger like this one helps maintain services for communities often left behind or pushed aside by mainstream financial institutions.

Nellenback says Alternatives is constantly analyzing its lending to ensure compliance with its certification as a Community Development Financial Institution (CDFI). CDFIs specialize in lending to individuals, organizations, and businesses in under-resourced communities, offering financial education, small business support, and low-interest rate loans that increase economic potential and help build wealth. Growing its reach into areas with greater population density opens up tremendous opportunities, but the growth must happen in a measured and thoughtful way.

“Part of my role is to help us consider where our outreach should happen first, and how we can direct our attention and efforts in the most impactful ways,” she explains.

“I think it’s important that everybody at Alternatives knows how special their culture is and how special the people are who are working really, really hard to provide an environment that is safe, professional, and that allows employees to focus on the membership,” King says. “I’ve worked for seven different financial institutions. I’ve never seen a place that’s this committed to the success of their employees, taking the time and effort to care about the people and the environment they work in. I think they actually get it.”



Bea Nellenback



Aaron King



Profile: Brian DeYoung

Brian DeYoung became a member of Alternatives soon after relocating to Ithaca in 1989, and he’s not afraid to say that early on, he was eager for improvements. So much so, in fact, that he wrote a letter in which he enumerated his concerns and suggestions for the organization, and hand-delivered copies to a group of Alternatives leaders who attended his own art opening. He thought he might see some changes as a result of this bold move. Instead, the CEO at the time offered him a seat on the board of directors.

“He said ‘would you like to come help us fix these problems?’ and I’m like ‘No, no, no, you guys fix your own problems,” DeYoung explains. But the CEO was persuasive, and ultimately, DeYoung agreed to serve out an expiring term, which soon became a new term, and then turned into 10+ years on the board.

DeYoung understands the need for the services offered by Community Development Financial Institutions (CDFIs) like Alternatives because his own personal financial health is unconventional.

His professional portfolio includes work as a real estate agent, contractor, and landlord. This means, especially during the COVID-19 shutdown of several years ago, that revenue isn’t always reliable or consistent.

“One time I was at a bank and they were like, ‘Oh yeah, I don’t think we can give you a loan,’” DeYoung recalls. “They said ‘You’ve got \$12,000 in mortgage payments. There must be something wrong. Look at your debt.’ And I’m like ‘Why do you think I have ten mortgages in the same town? Those are rental properties.’”

Continued...



Profile: Brian DeYoung

Continued...

But since entrepreneurs and people with non-traditional income streams can be difficult to categorize for mainstream bankers, DeYoung has struggled to get loans at times. He also has to be very intentional about managing his credit, since his balance sheet can't always be measured the same way others are. That's one way Alternatives has helped him.

Consolidating mortgage loans on his rentals simplified his payments and reduced his interest rates. And a credit counselor did a complete review of his books to help identify ways to save money and increase his credit score over time. He even participated in Alternatives' money management course to see what else he could learn.

"The reasons were twofold," he explains. "One, I always want to understand better how our services work, to see what the Credit Union's doing." Second, he had a friend he thought could benefit from the class, so he asked if they could attend together.

DeYoung's community orientation is evident in other areas of his life as well. He volunteers in prisons and mentors people who are incarcerated. And his service on the Alternatives Board of Directors is informed by a deeply held belief system that centers around a commitment to serve others.

"I know what it's like to not have stuff," DeYoung explains. "It would be morally wrong not to help people."

DeYoung thinks of himself as a true ambassador for Alternatives. He's availed himself of its services. He's learned a great deal and is working to pass along that knowledge to others. He's employed people with addiction issues, who struggle at the edge of poverty, who have crushing debt or who have been involved with the justice system. As such, he understands the importance of the work a CDFI does. Now, he wants to see more people get involved in the Alternatives mission, bridging his own personal values and community orientation with the work of the Credit Union.

"Consider joining a committee," DeYoung says. "That's where we have our strength. We as a credit union need to work together like a community to thrive."



Profile: Charles Brown



Charles Brown is an Ithaca native with as many stories under his belt as years behind him. He grew up with his parents in his family home, but as he matured, the housing market quickly became what so many in the Ithaca area have experienced in recent decades: expensive to the point that it's inaccessible, even for people who have lived their entire lives there.

As such, he never bought a home. And in 2016, he watched—helpless to do anything about it—as his family home was sold. “That’s when I realized I’d been renting for a long time and I wanted to make sure my kids knew it is possible for me to do this,” Brown explains.

He had decided to pursue buying his first home. But with a low credit score, life-threatening illness, and a period of incarceration in his past, there were several points at which he worried this dream may never become a reality. His brother challenged him to spend a year working on his credit and researching what it would take to buy a house, which led to a series of realizations about just how dangerous the world of mainstream, predatory lenders can be. “I was uneducated about it, and I was looking at high-interest loans that would take me forever to pay off,” he says. He even went to a few local banks that seemed like good prospects but after months of back and forth, ended with denial after denial.

Finally, he went to Alternatives to follow up on an online application he’d completed. This led him into a process that helped increase his credit score by almost 100 points, and a fruitful pursuit of homeownership that resulted in a closing on a property in October of 2024. It was the third house he looked at and he was immediately sure it was the right one. “When [the realtor] took me out on that third one, bam—I fell in love with the house,” he says. “It needs some work, sure. But it’s a nice old house.” And the best part was, Alternatives was able to help him arrange a mortgage payment of less than half what he was paying in rent.

On the first night he owned the house, Brown says he plugged in his TV, set up his bed, cracked open a drink, and just tried to take it all in. “My feeling was I was just so relieved,” he says. “Relief was what I felt, though. Big time relief, man. I mean, I still walk through the house today and I’m like ‘am I in someone else’s house?’”

After a years-long process of financial recovery and home purchase, Brown says the key that unlocked the whole situation for him was education. “What I would tell someone to do is to try and get educated as much as you can about the process, and find out what your situation is,” he says. And he credits Alternatives and the team there for being a resource that helped him get that education. Now, his children—also renters—can look at him and see that the cycle that prevented homeownership is officially broken.

Statement of Financial Condition

Numbers in thousands, e.g. \$1 = \$1,000

Assets	2024	2023
Mortgage loans	\$54,778	\$48,352
Consumer loans	28,089	27,074
Business loans	11,439	12,003
Total loans	94,306	87,429
Allowance for loan loss	(1,037)	(1,348)
Cash	18,245	12,729
Investments	44,624	42,884
Fixed assets	2,838	2,293
Other assets	7,093	6,528
Total assets	\$166,069	\$150,515
Liabilities and member equity		
Liabilities	\$2,796	\$962
Checking	49,452	48,961
Regular savings	61,266	61,518
Certificates	26,140	14,087
Retirement savings	8,304	7,061
Total deposits	145,162	131,627
Secondary capital	6,300	6,440
Capital	11,811	11,486
Total liabilities and equity	\$166,069	\$150,515
Capital Ratio	10.91%	11.91%

Statement of Operations

Numbers in thousands, e.g. \$1 = \$1,000

Interest Income	2024	2023
Mortgage	\$2,503	\$2,078
Consumer	2,122	2,134
Business	754	643
Investments	2,060	2,002
Total Interest Income	7,439	6,857
Interest expense		
Member shares and savings	828	359
Interest on borrowings	94	40
Total interest expense	922	399
Net interest income	6,517	6,458
Loan loss provision	553	604
Net income after provision	5,964	5,854
Operating expenses	(8,604)	(7,542)
Other operating income	2,990	2,104
Net income	\$350	\$416



Community Outreach & Education in 2024

Community Outreach

Upstate NY Meet-Ups (Elmira Works, LaTourelle, Roots to Rise Wellness Center, Barnstormer winery)

Alternatives Black-owned Business Expo

Ithaca Pride Alliance Clothing Swap

Bridging the Divide: Closing the Wealth and Opportunity Gap panel discussion with Alternatives' Chief Lending Officer, Jerome Emanuel

Daffodil Walk

Southern Tier Business Expo

Tompkins County Habitat for Humanity Women's Build

Chemung County Habitat for Humanity Women's Build

Alternatives at West Village Outreach and Backpack Giveaway (see *Impact Report Q3 2024*)

Elmira Pride Celebration

Southern Finger Lakes Pride Festival

Ithaca Pride Festival

Southside Community Center Juneteenth Festival

Elmira Juneteenth Festival

Corning Farmer's Market

Greater Ithaca Activities Center's Soulfest

Financial Education Presentations

Upstate NY Business Meet-Ups

Tompkins Community Action

Greater Ithaca Activities Center (GIAC)

Cornell University

Corning Community College

Catholic Charities Shelter

Corning Community College

Ithaca High School

The Community Foundation of Elmira/Corning and The Finger Lakes

Incubator Works

College Upstate Initiative

Ithaca ReUse

Workforce NY

MyPlace Daycare

Tompkins County Jail

Food/Beverage/Seasonal Workers at Cedarwood Event Venue

Business Presentations

Upstate NY Business Meet-Ups

LLC Formation

Salon Ownership

Power of Branding

How to Start Your Own Podcast

Overcoming Imposter Syndrome

How Your Personal Finances Affect Your Business

MWBE Certification (Minority and Women-owned Business Enterprise)



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