

Financial Statements Continued

Statement of Members' Equity

	Restricted Regular Reserve Fund	Unrestricted Undivided Earnings	Equity Acquired in Acquisition	Accumulated Other Comprehensive Income (Loss)	Total
Balance: December 31, 2019	\$3,349,441	\$21,161,320	\$58,063	\$36,781	\$24,605,605
Net Income	–	1,446,924	–	–	1,446,924
Transfer to Regular Reserve	–	–	–	–	–
Unrealized gains on investment securities	–	–	–	219,535	219,535
Balance: December 31, 2020	\$3,349,441	\$22,608,244	\$58,063	\$256,316	\$26,272,064
Net Income	–	4,990,181	–	–	4,990,181
Transfer to Regular Reserve	420,646	(420,646)	–	–	–
Unrealized losses on investment securities	–	–	–	(522,689)	(522,689)
Balance: December 31, 2021	\$3,770,087	\$27,177,779	\$58,063	(\$266,373)	\$30,739,556

The December 31, 2021 and 2020 Statement of Financial Condition and the related Statements of Income, Members' Equity, and Cash Flows for the years then ended were audited by RKL LLP, Certified Public Accountants. These reports are available for review at the Credit Union's Administrative Office by appointment.

2021
Annual Report



Credit Union of New Jersey

The freedom to prosper.

Board of Directors

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Thomas J. Valeri, Jr., CCD
Vice Chairman

Bethanne L. Mowery
Treasurer

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Secretary

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Philip A. Prassas

Louis M. Tondini

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Chairman

Joseph J. Licari

Michael J. MacFeeters, CPA

Directors Emeriti

Donald N. Chiacchio

John R. Christian

Betty L. Stockton, CCD

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Management Team

Andrew L. Jaeger, CCE
President, CEO

Soma Sarkar, CCE, CUCE
Executive VP, COO

Patricia Fisk, SPHR, SHRM-SCP
Senior VP, CAO

Robert Vuocolo, CPA
Senior VP, CFO

Mark Bradley, CSME
VP Marketing/Business Development

Claudia Colon
VP Operations

Christopher Hartsough
VP Lending

Martin Sofronski
VP Sales/Member Service

Michael Thomas
VP Information Systems



Looking back on 2021

This past year was yet another challenging one for members and their families as we continued to navigate the pandemic. And our commitment to helping our members was unwavering. Through new and competitive product offerings, industry leading loan rates, and the advancement of innovative Mobile and e-Banking solutions, our promise of providing our members with the freedom to prosper held true.

We'll take care of you

Your member experience is of utmost importance in the execution of our mission. However you conduct most of your banking transactions, seamless service delivery and superior product offerings are our top priority. During 2021 we advanced these efforts in numerous ways:

- Conducted 70 financial education webinars reaching over 1,100 members.
- Launched an industry leading cash back checking product called Kasasa Cash Back Checking. Qualified accounts can earn cash back on everyday purchases and receive foreign ATM fee rebates when qualifications are met.
- Deployed a "financial balance" loan campaign offering industry leading loan rates on Auto Loans, Lifestyle Loans and Mastercard Credit Cards to help members navigate the financial hardships many have faced during this pandemic.
- Advanced our online chat service and branch appointment scheduling to further enhance member access during the pandemic.

We'll give you a good deal

Credit Unions generally provide financial benefits to members through lower loan rates, higher savings rates and fewer fees than banking institutions.

The Credit Union National Association (CUNA) estimates that Credit Union of New Jersey provided \$5,197,234 in direct financial benefits to its 36,727 members during the 12 months ending December, 2021¹. These benefits are equivalent to \$142 per member or \$297 per member household².

We'll make it easy

Throughout 2021, we sought, found and deployed new, innovative services and features to further enhance the Credit Union of New Jersey member experience:

- Introduced debit card and credit card controls through e-Banking and Mobile Banking so that

members can turn cards on and off, set spending limits, report cards lost stolen and much more.

- Implemented an online self-service loan skip-a-pay portal allowing members to skip a qualifying loan through the e-Banking or Mobile banking channels.
- Provided a new online loan payment service. Members can now make their monthly CU of NJ loan payments with an account at another institution via the convenience of e-Banking and Mobile Banking.

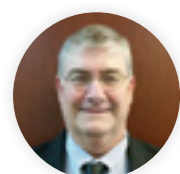
2022 and beyond

We're not content to rest on our 2021 achievements. We realize the pandemic is still affecting thousands of our members, so our plan is to continue to offer extremely competitive loan rates and beneficial deposit products, such as Kasasa Cash Back Checking and our High-Rate Savings accounts. Our downtown Trenton office has undergone major renovations and reopens in early May 2022. By the end of this year, we will be installing our first Interactive Teller Machines (ITMs) that will give our members all of the benefits of ATMs plus the added one of speaking with a live CU of NJ representative. While our economy will continue to experience ups, downs and general turmoil, your credit union remains steadfast in our commitment to giving you **The Freedom to Prosper**.

During 2021, our dedicated team continued to provide outstanding member service in the face of year two of the COVID-19 Pandemic. Even though our members were slowly returning to a semblance of normalcy, the financial impacts of the pandemic were still being felt by many of them. We are proud of how our employees worked with members to help with everyday banking needs, as well as more complex financial decisions. For that, we say 'thank you.' The overall purpose of the credit union is what guides our team. The purpose and direction of the credit union comes from our board of directors, who through governance with excellence, works to connect with members to gain valuable insights that drive policy decisions. Thank you to the board for their hard work and leadership during another challenging year.



Andrew L. Jaeger
Andrew L. Jaeger
President/CEO



Gary K. Chizmadia
Gary K. Chizmadia
Chairman

Financial Statements

Statement of Financial Condition

Assets	For the year ended	For the year ended
	December 31st 2021	December 31st 2020
Loans to Members, Net	\$282,506,278	\$290,933,440
Cash and Cash Equivalents	3,384,005	2,806,934
Interest-Bearing Accounts	62,331,619	57,622,420
Securities Available for Sale	37,931,398	13,278,891
Accrued Interest Receivable	1,659,923	1,609,414
Property, Equipment, and Leasehold Improvements, Net	6,500,584	6,247,082
NCUSIF Deposit	3,660,965	3,314,094
Employee Retention Credit Receivable	1,900,135	0
Prepaid Expenses/Other Assets	17,807,593	13,936,113
Total Assets	\$417,682,500	\$389,748,388

Liabilities and Members' Equity

Members' Shares and Savings Accounts	\$384,583,195	\$361,390,049
Accounts Payable and Accrued Expenses	2,294,228	2,011,054
Accrued Dividends Payable	65,521	75,221
Total Liabilities	\$386,942,944	\$363,476,324
Members' Equity	30,739,556	26,272,064
Total Liabilities and Members' Equity	\$417,682,500	\$389,748,388

Our main purpose —

To ensure our members and future members have the knowledge and ability to be in control of their financial lives.

Statement of Income

Interest Income	For the year ended	For the year ended
	December 31st 2021	December 31st 2020
Interest on Loans	\$13,541,348	\$15,007,320
Interest on Investment Securities and Interest-Bearing Accounts	462,471	236,885
Total Interest Income	\$14,003,819	\$15,244,205
Interest Expense		
Dividends on Members' Shares and Savings Accounts	\$490,254	\$862,284
Interest on Borrowed Funds	1	15
Total Interest Expense	\$490,255	\$862,299
Net Interest Income	13,513,564	14,381,906
Provision for Possible Loan Losses	487,638	2,915,747
Net Interest Income After Provision For Possible Loan Losses	\$13,025,926	\$11,466,159

Non-Interest Income

Share Fees	\$4,309,031	\$4,212,051
Loan Fees	533,802	516,252
Card Service Fees	2,248,368	1,871,519
Loss on Other Assets Held for Sale	(125,108)	(355,560)
Corporate CU Member Capital Account Refund	1,301,726	0
Employee Retention Credit	1,900,135	0
Other	612,962	1,449,849
Total Non-Interest Income	\$10,780,916	\$7,694,111

Non-Interest Expenses

Employee Compensation and Benefits	\$7,549,022	\$7,096,653
Travel and Conferences	148,515	144,434
Office Occupancy	690,152	713,483
Office Operations	1,224,016	1,370,911
Educational and Promotional	383,246	290,243
Loan Servicing	3,225,990	3,019,084
Professional and Outside Services	5,115,401	4,618,443
Member Insurance	38,515	25,777
Operating Fees	50,219	21,000
Miscellaneous Operating	391,585	413,318
Total Non-Interest Expenses	\$18,816,661	\$17,713,346
Net Income	\$4,990,181	\$1,446,924