

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, 2020	\$3,349,441	\$22,608,244	\$58,063	\$256,316	\$26,272,064
Net Income	–	4,990,181	–	–	4,990,181
Unrealized losses on investment securities	–	–	–	(522,689)	(522,689)
Transfer to Regular Reserve	420,646	(420,646)	–	–	0
Balance: December 31, 2021	\$3,770,087	\$27,177,779	\$58,063	(\$266,373)	\$30,739,556
Net Income	–	3,109,963	–	–	3,109,963
Unrealized losses on investment securities	–	–	–	(6,154,392)	(6,154,392)
Transfer of Regular Reserve to undivided earnings	(3,770,087)	3,770,087	–	–	0
Balance: December 31, 2022	\$0	\$34,057,829	\$58,063	(\$6,420,765)	\$27,695,127

The December 31, 2022 and 2021 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.

2022
Annual Report



Credit Union
of New Jersey

The freedom to prosper.

Board of Directors

Gary K. Chizmadia, CCUB, CUDE
Chairman

Thomas J. Valeri, Jr., CCD
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Treasurer

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Ronald P. Lunetta

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Pamela Taylor

Louis M. Tondini

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Chairman

Joseph J. Licari

Louis D. Leigh, CPA

Directors Emeriti

Donald N. Chiacchio

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, CCUFC
VP Sales/Member Service

Michael Thomas
VP Information Systems



Credit Union
of New Jersey
A Federal Credit Union

Looking back on 2022

This past year we saw our communities returning to a “new normal” after two years of pandemic-related obstacles—employees going back to their offices, school activities resuming and community events once again thriving. Unfortunately, we also witnessed inflationary pressures creeping into this economic recovery, causing the cost of all types of goods and services to increase for our members. Credit Union of New Jersey recognized the stresses this caused on family budgets and designed innovative deposit products, introduced industry-leading loan solutions and continued to enhance our Mobile and e-Banking products to help ease this burden.

We'll take care of you

“The freedom to prosper” is our tagline, but it’s also the mindset we use as we work with our members to improve their financial well-being. To take this one step further, ensuring that our members have the ability to be in control of their financial lives is our literal core mission. Fulfilling both of these promises took on many forms throughout the year:

- Conducted 39 financial education seminars that reached over 550 members.
- Launched the nationally recognized Kasasa Cash® Checking product. Qualified accounts realize some of the highest rates of return on checking deposits available and receive ATM fee rebates when qualifications are met.
- Introduced the Kasasa Saver® account to help members save even more. Members can link this Kasasa Saver product to one of the two Kasasa checking accounts to earn an even higher monthly dividend when qualifications are met.
- Deployed loan solutions throughout the year to help members consolidate debt into more manageable payments. Continued to offer aggressively competitive loan rates on Auto Loans, Lifestyle Loans and Credit Cards, which afforded members the opportunity to navigate the high rate of inflation a little more easily.
- Introduced aggressive Share Certificate special rates and terms to afford our members the opportunity to earn a guaranteed high rate of return on their savings, risk-free.
- Celebrated Member Prosperity week in November, featuring give-a-ways, raffles, a food truck and a grand prize of \$2,500 for the “These are My People” contest.

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 \$5,045,807 in direct financial benefits to its 36,992 members during the 12 months ending December, 2022¹. These benefits are equivalent to \$136 per member or \$286 per member household².

We'll make it easy

Throughout 2022, Credit Union of New Jersey focused on enhancing electronic delivery channels with new and innovative solutions to provide members with Mobile and e-Banking experiences that are simple and direct.

- Introduced Zelle® a fast and easy way to send money. Zelle® can be accessed directly from our Mobile App or e-Banking and allows members to send money in minutes to family and friends.
- Introduced cash recyclers into the branch network, allowing a faster transaction experience for cash deposits and withdrawals.
- Introduced desk sharing through our live chat service, which gives our representatives the ability to navigate through a secure connection into a member’s computer to allow quick resolutions to member inquiries.

2023 and beyond

2023 looks to be quite a memorable year for Credit Union of New Jersey. First and foremost, we celebrate our 80th anniversary—80 years of financial strength, trust and exceptional member service. As we celebrate this milestone anniversary, we reaffirm our commitment to supporting the financial well-being of our members now and into the future.

In early April, our new Hamilton branch opens. Located at 691 US Highway 130 North (behind the Wawa), this new location is a full-service branch, and it is here we’ll be introducing our new ITMs (Interactive Teller Machines) that offer members all of the transactional benefits of an ATM with the bonus of accessing a live Credit Union of New Jersey representative.

And as we pledge to you every year, we will work hard in 2023 to maintain aggressively low rates on loans and aggressively high rates on savings and interest-bearing checking products.

Here's to 80 more years!

During 2022 the board of directors, along with management and staff, worked hard to ensure that the credit union focus was on our members and our purpose. We experienced strong growth and service scores, thanks to our dedicated staff. The purpose and direction of the credit union come from our board of directors, who through governance with excellence, works to connect with members to gain valuable insights that drive policy decisions. Credit Union of New Jersey, as a not-for-profit, member-owned financial cooperative, exists solely for our members. We look forward to serving you during 2023, our 80th year in business. Thank you to the board for their hard work and leadership.



Andrew L. Jaeger, CCE
President/CEO



Gary K. Chizmadia, CCUB, CUDE
Chairman

Financial Statements

Statement of Financial Condition

Assets	December 31st 2022	December 31st 2021
Loans to Members, Net	\$327,285,583	\$282,506,278
Cash and Cash Equivalents	2,828,242	3,384,005
Interest-Bearing Accounts	16,117,918	62,331,619
Securities Available for Sale	44,368,353	37,931,398
Accrued Interest Receivable	2,175,727	1,659,923
Property, Equipment, and Leasehold Improvements, Net	7,071,652	6,500,584
NCUSIF Deposit	3,722,138	3,660,965
Employee Retention Credit Receivable	1,385,088	1,900,135
Prepaid Expenses/Other Assets	19,128,447	17,807,593
Total Assets	\$424,083,148	\$417,682,500

Liabilities and Members' Equity

Members' Shares and Savings Accounts	\$376,040,650	\$384,583,195
Accounts Payable and Accrued Expenses	2,963,406	2,294,228
Accrued Dividends Payable	83,965	65,521
Notes payable	9,300,000	—
Subordinated debentures	8,000,000	—
Total Liabilities	\$396,388,021	\$386,942,944
Members' Equity	27,695,127	30,739,556
Total Liabilities and Members' Equity	\$424,083,148	\$417,682,500

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	December 31st 2022	December 31st 2021
Interest on Loans	\$15,574,384	\$13,541,348
Interest on Investment Securities and Interest-Bearing Accounts	1,138,778	462,471
Total Interest Income	\$16,713,162	\$14,003,819

Interest Expense

Dividends on Members' Shares and Savings Accounts	\$432,993	\$490,254
Interest on Borrowed Funds	294,307	1
Total Interest Expense	\$727,300	\$490,255
Net Interest Income	15,985,862	13,513,564
Provision for Loan Losses	1,841,701	487,638
Net Interest Income After Provision For Loan Losses	\$14,144,161	\$13,025,926

Non-Interest Income

Share Fees	\$4,655,072	\$4,309,031
Loan Fees	381,180	533,802
Interchange and Card service fees	2,007,497	2,248,368
Gain (Loss) on other assets held for sale	421	(125,108)
Corporate Credit Union Member Capital Account Refund	321,374	1,301,726
Employee Retention Credit	0	1,900,135
Other	1,080,896	612,962
Total Non-Interest Income	\$8,446,440	\$10,780,916

Non-Interest Expenses

Employee Compensation and Benefits	\$7,778,768	\$7,549,022
Travel and Conferences	207,659	148,515
Office Occupancy	676,015	690,152
Office Operations	1,236,271	1,224,016
Educational and Promotional	466,336	383,246
Loan Servicing	3,259,003	3,225,990
Professional and Outside Services	5,386,839	5,115,401
Member Insurance	41,062	38,515
Operating Fees	68,270	50,219
Miscellaneous Operating	360,415	391,585
Total Non-Interest Expenses	\$19,480,638	\$18,816,661
Net Income	\$3,109,963	\$4,990,181

Sources: Datatrac, NCUA and CUNA. (1) Rates and fees as of 03/30/2023. (2) Assumes 2.1 members per household.