



# 2023

Annual Report

## Looking back on 2023

2023 was a milestone for Credit Union of New Jersey as we celebrated eighty years of member service. Throughout our history, we've remained steadfast in our commitment to assist members with control of their financial lives. As part of this pledge, we will continue to introduce leading-edge products and services designed to make banking easy and convenient for our member owners.

## We'll take care of you

A primary focus throughout the year included advancements in our Financial Well-being program to help members navigate through financial hardships and life-stage journeys. Some of the highlights:

- We completed 35 education workshops, reaching over 750 members. Topics included Women & Money, Credit Card Makeover, Understanding Credit, Home Buying Seminars, Eight Steps to Financial Success and How to Manage Debt and Identity Theft.
- We introduced the Youth M3 Money Club. Through a series of Kids Financial Well-being Workshops, children learned the concepts of spending and budgets. Interactive e-learning was made available through the M3 Money Club portal. We culminated this learning program with a coloring contest during Youth Month in April. We opened one hundred new Young Savers Club accounts through this outreach.
- We enhanced our online educational content via our Financial Resource Center, with a wide range of learning opportunities, including webinars, podcasts, toolkits and financial articles.

## We'll give you a good deal

The benefits of being a member of Credit Union of New Jersey are nowhere more clear than in the numbers.

America's Credit Unions estimates that Credit Union of New Jersey provided \$4,118,330 in direct financial benefits to its 36,989 members during the twelve months ending December 2023<sup>1</sup>. **These benefits are equivalent to \$111 per member or \$234 per member household<sup>2</sup>.**

## We'll make it easy

We prioritize providing our members with innovative products and services in the ever-evolving financial technology landscape. Delivering frictionless experiences, regardless of platform, is an expectation in banking today. Some advancements achieved in 2023 include:

- We opened our new, innovative branch in Hamilton.
- We deployed Interactive Teller Machines (ITM) in our Hamilton and Lafayette branches. An ITM is essentially an upgraded ATM with the added benefit of being able to speak with a live Credit Union of New Jersey representative during your transaction—just like a Zoom meeting or a FaceTime call.
- Members now have the convenience of getting their vehicle loans decided at our partner dealerships. Simply mention you are a Credit Union of New Jersey member while shopping at any of the dealerships and receive a loan decision right on the spot.
- Members who use Zelle® have 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.

## 2024 and beyond

In our ongoing commitment to better serve our members and foster their financial well-being, we are thrilled to announce several initiatives poised to elevate their banking experience.

Our upcoming Lafayette branch renovation will revitalize the physical space and integrate cutting-edge technology, including additional ITMs. These enhancements will empower our members with greater convenience and accessibility while ensuring a seamless banking experience.

We are excited to announce the rollout of personalized offers, including loan pre-approvals, through our digital channels. By leveraging advanced data analytics, we will be rolling out bespoke loan and deposit solutions. This personalized approach streamlines the process of accessing attractive financial products members are looking for, and ensures that every member receives offerings aligned with their individual financial goals.

We also will be unveiling a generative chatbot. Designed to deliver personalized assistance swiftly and intuitively across all channels, this chatbot will represent a significant leap forward in enhancing member interactions. Whether seeking guidance on financial products, troubleshooting account queries or exploring tailored recommendations, our chatbot will be there every step of the way, ensuring a seamless and delightful experience for all.

As we embrace the opportunities and challenges that lie ahead in 2024, our focus remains steadfastly centered on our members. With a commitment to innovation, personalized service and continuous improvement, we are poised to navigate the dynamic landscape of banking with confidence and agility.

Together, we look forward to another incredible year of growth, change and unparalleled member service, shaping a future where our members continue to have the Freedom to Prosper.

In 2023, your Board of Directors, along with the entire credit union team, focused on delivering on the stated purpose of Credit Union of New Jersey: **to ensure members have the knowledge and ability to be in control of their financial lives.** This purpose statement was developed and adopted by the board of directors through their rigorous governance work, which includes seeking member feedback through an annual member survey, hearing from industry experts and attending an annual board retreat.

With the Purpose Statement guiding all our decisions, the board of directors reviews and develops policies that guide management. With this policy guidance, management implemented various new services and programs to meet members' financial needs, while also ensuring the credit union remained financially strong with sound fiscal management. The board of directors is dedicated to governance with excellence, while the staff is committed to providing the best possible member experiences. Having just celebrated our 80<sup>th</sup> anniversary in 2023, we look forward to another exciting year of helping members achieve financial well-being.



*Andrew L. Jaeger*  
Andrew L. Jaeger, CCE  
President/CEO



*Gary K. Chizmadia*  
Gary K. Chizmadia, CCUB, CUDE  
Chairman

# Financial Statements

## Statement of Financial Condition

Assets	As of	
	December 31st 2023	December 31st 2022
Loans to Members, Net	\$337,026,403	\$327,285,583
Cash and Cash Equivalents	3,827,186	2,828,242
Interest-Bearing Accounts	19,941,727	16,117,918
Securities Available for Sale	42,374,644	44,368,353
Accrued Interest Receivable	2,615,142	2,175,727
Property, Equipment and Leasehold Improvements, Net	7,554,471	7,071,652
NCUSIF Deposit	3,538,012	3,722,138
Split Dollar Loans Receivable	11,930,321	11,930,321
Employee Retention Credit Receivable	601,881	1,385,088
Prepaid Expenses/Other Assets	7,846,002	7,198,126
<b>Total Assets</b>	<b>\$437,255,789</b>	<b>\$424,083,148</b>

## Liabilities and Members' Equity

Members' Shares and Savings Accounts	\$358,446,099	\$376,040,650
Accounts Payable and Accrued Expenses	4,534,224	2,963,406
Accrued Dividends Payable	192,050	83,965
Notes payable	37,000,000	9,300,000
Subordinated debentures	8,000,000	8,000,000
<b>Total Liabilities</b>	<b>\$408,172,373</b>	<b>\$396,388,021</b>
Members' Equity	29,083,416	27,695,127
<b>Total Liabilities and Members' Equity</b>	<b>\$437,255,789</b>	<b>\$424,083,148</b>

## Statement of Income

Interest Income	For the year ended	
	December 31st 2023	December 31st 2022
Interest on Loans	\$19,413,579	\$15,574,384
Interest on Investment Securities and Interest-Bearing Accounts	1,360,241	1,138,778
<b>Total Interest Income</b>	<b>\$20,773,820</b>	<b>\$16,713,162</b>

## Interest Expense

Dividends on Members' Shares and Savings Accounts	1,169,489	\$432,993
Interest on Borrowed Funds	574,789	65,514
Interest on Subordinated Debt	380,000	228,793
<b>Total Interest Expense</b>	<b>\$2,124,278</b>	<b>\$727,300</b>
Net Interest Income	18,649,542	15,985,862
Provision for Loan Losses	4,420,298	1,841,701
<b>Net Interest Income After Provision For Loan Losses</b>	<b>\$14,229,244</b>	<b>\$14,144,161</b>

## Non-Interest Income

Share Fees	\$4,491,438	\$4,655,072
Loan Fees	417,505	381,180
Interchange and Card service fees	1,819,778	2,007,497
Gain on disposal of other assets, net	32,825	421
Corporate Credit Union Member Capital Account Refund	168,518	321,374
Other	1,175,757	1,080,896
<b>Total Non-Interest Income</b>	<b>\$8,105,821</b>	<b>\$8,446,440</b>

## Non-Interest Expenses

Employee Compensation and Benefits	\$8,231,040	\$7,778,768
Travel and Conferences	251,671	207,659
Office Occupancy	793,259	676,015
Office Operations	1,380,500	1,283,767
Educational and Promotional	689,973	466,336
Loan Servicing	3,701,516	3,259,003
Professional and Outside Services	5,507,685	5,383,071
Member Insurance	41,212	41,062
Operating Fees	70,082	68,270
Miscellaneous Operating	581,562	316,687
<b>Total Non-Interest Expenses</b>	<b>\$21,248,500</b>	<b>\$19,480,638</b>
<b>Net Income</b>	<b>\$1,086,565</b>	<b>\$3,109,963</b>

 Our main purpose —

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

# Financial Statements Continued

## Statement of Members' Equity

	Restricted Regular Reserve Fund	Unrestricted Undivided Earnings	Equity Acquired in Acquisition	Accumulated Other Comprehensive Income (Loss)	Total
<b>Balance: December 31, 2021</b>	\$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	–	–	–
<b>Balance: December 31, 2022</b>	0	34,057,829	58,063	(6,420,765)	27,695,127
Net Income	–	1,086,565	–	–	1,086,565
Unrealized losses on investment securities	–	–	–	1,075,179	1,075,179
Adoption of ASU 2016-13	–	(773,455)	–	–	(773,455)
<b>Balance: December 31, 2023</b>	\$0	\$34,370,939	\$58,063	(\$5,345,586)	\$29,083,416

The December 31, 2023 and 2022 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.



**Credit Union  
of New Jersey**

The freedom to prosper.

### Board of Directors

Gary K. Chizmadia, CCUB, CUDE  
Chairman

Thomas J. Valeri, Jr., CCD  
Vice Chairman

Bethanne L. Mowery  
Treasurer

Guy J. DiMemmo  
Secretary

J. Eric Kraehenbuehl, CCUB

Ronald P. Lunetta

Philip A. Prassas

Pamela Taylor

Louis M. Tondini

### Supervisory Committee

Michael J. MacFeeters, CPA  
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

David Sacco  
Senior VP/CFO

Mark Bradley, CSME  
VP Marketing/Business Development

Claudia Colon  
VP Operations

Christopher Hartsough  
VP Lending

Martin Sofronski, CCUFC  
VP Sales/Member Services

Michael Thomas  
VP Information Systems