



NOVA
credit union

2022

Annual Report

Chairman's Report 2023

I am Phillip Kridel, and I am honored to lead the Board of Directors of Nova Credit Union as its Chairman. We have an outstanding group of Directors, and another year together has solidified my opinion that this is the best Board on which I have served in over 30 years as a Nova Director. They are fully committed to YOU, and I thank them.

Nova posted outstanding financial results in 2022, with a net income of \$1,179,797 and loan volume of \$25,851,351, surpassing 2021 as the second highest in our history. These great results are a tribute to the extraordinary efforts of our entire Nova team, so ably led by our now happily retired CEO Joy Watts and, since April 2022, by Nova CEO Michelle McGee.

Nova was thrilled to receive a 2022 US Treasury Community Development Financial Institution Rapid Response Program Grant, and we have put these dollars to good use in our Credit Union and in the communities we serve.

One of the major changes in the multiple ways we serve our members, which include in person access, Zip-24 telephone access, on line computer access, a mobile app for phones and tablets, and our 24 hour Call Center, actually took place in February 2023, although the planning occupied our staff for all of 2022. Our new online access portal and our new mobile apps provide more information, more functions, and more accessibility, and are a wonderful improvement over their predecessors. Much of the credit for the virtually seamless transition to these new apps goes to Mike Riddell, our Vice President of Information Systems.

Covid has touched all of our lives these past 3 years, for many in especially cruel ways. But Nova Credit Union has come through these trying years, as it has every year since 1934, strong and dedicated to helping its almost 12,000 members navigate their journey towards financial success. Thanks for sticking with us, and we promise to be there for you in the future.

Respectfully submitted,

Phillip M. Kridel, Chairman

**NOVA CREDIT UNION
STATEMENT OF FINANCIAL CONDITION**

	2021	2022
ASSETS		
LOANS TO MEMBERS	\$ 68,246,381	\$73,091,334
ALLOWANCE-LOAN LOSSES/FV ADJ	\$ (235,806)	(\$320,982)
CASH/INVESTMENTS	\$ 51,878,512	\$41,409,472
LAND & BUILDING	\$ 4,709,001	\$4,554,027
FIXED ASSETS	\$ 69,170	\$161,361
OTHER ASSETS	\$ 4,750,889	\$5,135,679
TOTAL ASSETS	\$ 129,418,147	\$124,030,891
LIABILITIES		
DIVIDEND PAYABLE	\$ 50,136	\$62,672
OTHER PAYABLES	\$ 2,132,519	\$1,150,388
TOTAL LIABILITIES	\$ 2,182,655	\$1,213,060
MEMBERSHIP EQUITY		
MEMBER SHARES	\$ 108,247,352	\$106,025,543
UNREALIZED GAINS/LOSSES	\$ 185,390	(\$3,377,051)
RETAINED EARNINGS	\$ 18,802,750	\$20,169,339
TOTAL EQUITY	\$ 127,235,492	\$122,817,831
TOTAL LIABILITIES & EQUITY	\$129,418,147	\$124,030,891
STATEMENT OF INCOME		
INCOME		
INTEREST ON LOANS TO MEMBERS	\$ 3,686,261	\$3,443,690
INTEREST ON INVESTMENTS & CASH	\$ 592,535	\$793,545
OTHER INCOME	\$ 3,230,384	\$2,856,209
TOTAL INCOME	\$ 7,509,180	\$7,093,444
EXPENSES		
SALARY & BENEFITS	\$ 2,840,946	\$3,040,262
OFFICE OCCUPANCY	\$ 629,894	\$521,527
OPERATION EXPENSE	\$ 3,242,088	\$4,514,765
PROVISION FOR LOAN LOSSES	\$ (391,500)	\$156,958
TOTAL EXPENSES	\$ 6,321,428	\$8,233,512
NON-OPERATING EXPENSES	\$4,730	(\$2,558,181)
COST OF FUNDS		
DIVIDEND ON MEMBER SHARES	\$ 175,173	\$238,315
NET INCOME	\$ 1,007,849	\$1,179,797

STATEMENT OF RETAINED EARNINGS

	<u>REGULAR RESERVE</u>	<u>UNDIVIDED EARNINGS</u>	<u>TOTAL</u>
BALANCE DECEMBER, 2021	\$4,620,000	\$8,246,639	\$12,866,639
NET INCOME / REGULAR RESERVE		\$1,179,797	\$1,179,797
EQUITY ACQUIRED IN MERGER		\$6,122,903	\$6,122,903
UNREALIZED GAINS/LOSSES		(\$3,377,051)	(\$3,377,051)
BALANCE DECEMBER, 2022	\$4,620,000	\$12,172,288	\$16,792,288

Charlotte

3601 Mulberry Church Rd.
Charlotte, NC 28208

Concord

275 Branchview Dr. SE
Concord, NC 28025

Greensboro

4817 West Market
Greensboro, NC 27407

Hickory

1022 11th Ave Blvd. SE
Hickory, NC 28602-4349

Kannapolis

169 Dale Earnhardt Blvd.
Kannapolis, NC 28081