



2023

Annual Report

Chairman's Report 2023

I am proud to serve as Chairman of the Board of Directors of the Nova Credit Union. Nova will celebrate our 90th year in 2024, having served our members through economic upheavals, wars, and most recently, an unprecedented Pandemic. Our people continue to work tirelessly to provide our members with the financial services they and their families need and desire. We truly are "People Helping People."

We had a successful year in 2023, posting a net income of \$179,960.96, with loan volume of \$15,990,463. The deep slowdown in the housing market had a large effect on our mortgage origination volume, but we continue to aggressively pursue loans of all types.

In addition to the 2022 Rapid Response Program Grant Nova received through the US Treasury Community Development Financial Institution Fund, we were thrilled to receive two additional CDFI Grants in 2023. The Equitable Recovery Program Grant, funded by the CARES Act, is designed to continue to help Nova revitalize our communities most impacted by the Pandemic.

The CDFI Financial Assistance Grant is geared toward lending activities, helping all our members, especially low- and moderate-income members, receive the loans they need and want.

We continue to work to make it easier for our members to access all our services. The new mobile apps for phones, tablets, and computers came online in February 2023, and are a great success. For our members with Nova Secure Checking accounts, the addition of the member's credit score and access to their credit report directly in the app brings one of the major benefits of this account right to your fingertips.

This Credit and Identity Monitoring, along with Cell Phone Protection Insurance, are just two of the multiple benefits of Secure Checking, and are available at a much lower cost than those plans offered by the Credit Bureaus and Cellphone providers.

Our outstanding staff, so ably led by CEO Michelle Hayes, and our experienced Board of Directors are dedicated to continuing to provide our members with the best and most affordable products and services. We appreciate your support and look forward to a bright financial future together.

Respectfully submitted,

Phillip M Kridel, Chairman

**NOVA CREDIT UNION
STATEMENT OF FINANCIAL CONDITION**

	2022	2023
ASSETS		
LOANS TO MEMBERS	\$ 73,091,334	\$69,600,748
ALLOWANCE-LOAN LOSSES/FV ADJ	\$ (320,982)	(\$467,031)
CASH/INVESTMENTS	\$ 41,409,472	\$41,388,351
LAND & BUILDING	\$ 4,554,027	\$4,281,617
FIXED ASSETS	\$ 161,361	\$458,332
OTHER ASSETS	\$ 5,135,679	\$5,294,845
TOTAL ASSETS	\$ 124,030,891	\$120,556,862
LIABILITIES		
DIVIDEND PAYABLE	\$ 62,672	\$91,219
OTHER PAYABLES	\$ 1,150,388	\$2,819,661
TOTAL LIABILITIES	\$ 1,213,060	\$2,910,879
MEMBERSHIP EQUITY		
MEMBER SHARES	\$ 106,025,543	\$100,511,503
UNREALIZED GAINS/LOSSES	\$ (3,377,051)	(\$2,922,196)
RETAINED EARNINGS	\$ 20,169,339	\$20,056,675
TOTAL EQUITY	\$ 122,817,831	\$117,645,982
TOTAL LIABILITIES & EQUITY	\$124,030,891	\$120,556,862
STATEMENT OF INCOME		
INCOME		
INTEREST ON LOANS TO MEMBERS	\$ 3,443,690	\$3,654,261
INTEREST ON INVESTMENTS & CASH	\$ 793,545	\$1,042,939
OTHER INCOME	\$ 2,856,209	\$2,598,437
TOTAL INCOME	\$ 7,093,444	\$7,295,637
EXPENSES		
SALARY & BENEFITS	\$ 3,040,262	\$3,022,846
OFFICE OCCUPANCY	\$ 521,527	\$390,495
OPERATION EXPENSE	\$ 4,514,765	\$3,187,632
PROVISION FOR LOAN LOSSES	\$ 156,958	\$351,672
TOTAL EXPENSES	\$ 8,233,512	\$6,952,645
NON-OPERATING EXPENSES	\$2,558,181	\$294,657
COST OF FUNDS		
DIVIDEND ON MEMBER SHARES	\$ 238,315	\$457,689
NET INCOME	\$ 1,179,798	\$179,960

STATEMENT OF RETAINED EARNINGS

	<u>REGULAR RESERVE</u>	<u>UNDIVIDED EARNINGS</u>	<u>TOTAL</u>
BALANCE DECEMBER, 2022	\$4,620,000	\$9,133,811	\$13,753,811
NET INCOME / REGULAR RESERVE		179,961	\$179,961
EQUITY ACQUIRED IN MERGER		6,122,903	\$6,122,903
UNREALIZED GAINS/LOSSES		(\$2,922,196)	(\$2,922,196)
BALANCE DECEMBER, 2023	\$4,620,000	\$12,514,479	\$17,134,479

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