



2025

Annual Report

Chairman's Report 2025

Hello. I am Phillip Kridel, and I am honored to lead the Board of Directors of Nova Credit Union as its Chairman. Nova entered its tenth decade of service to our members in 2025, having served them 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 2025, posting a net income of \$909,908.75, with loan volume of \$22,559,466. The softness of the housing market continues to have a major effect on our mortgage origination volume, but our outstanding loan team did an amazing job with new car loans, used car loans, personal loans, and other types of loans, generating a substantial increase in loan volume.

As I reported last year, Nova continues to work on implementing the 2 CDFI Grants we received in 2023. The Equitable Recovery Program Grant and the Financial Assistance Grant provide funds to help us make available to all our members, especially low- and moderate-income members, the loans they need and want. OMB has just announced that they will soon begin disbursing the 2025 Financial Assistance Grant funds, and Congress has approved a similar appropriation for fiscal year 2026. Nova has applications pending for FA grants in both those periods, and while there are no guarantees, we are hopeful that we will receive good news soon.

I want to talk for a few minutes about politics. As we are a state-chartered credit union, we are governed by North Carolina law. The first comprehensive revision of the NC Credit Union Act in 35 years is currently waiting in committee for the settlement of the budget standoff in the North Carolina General Assembly, and we continue to work for its passage. At the national level, several of our Board members and executives attended the Spring America's Credit Union Government Affairs Conference, and I am planning to attend the smaller Carolinas Credit Union League Hike the Hill meeting this Fall. At each of these events, we meet face to face with our Senators and Congressmen and women, and we impress upon them the "Credit Union difference". I am pleased to say that they seem to understand how valuable Nova and our fellow credit unions are to our members, and we continue to have great support from our Congressional delegation.

Our experienced Board of Directors, the best Board with which I have ever worked, is 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

	2024	2025
ASSETS		
LOANS TO MEMBERS	\$72,382,404	\$76,693,061
ALLOWANCE-LOAN LOSSES/FV ADJ	(\$496,339)	(\$561,007)
CASH/INVESTMENTS	\$38,409,911	\$32,933,276
LAND & BUILDING	\$4,278,198	\$4,582,255
FIXED ASSETS	\$390,818	\$261,714
OTHER ASSETS	\$5,352,957	\$6,786,557
TOTAL ASSETS	\$120,317,949	\$120,695,855
LIABILITIES		
DIVIDEND PAYABLE	\$68,334	\$88,939
OTHER PAYABLES	\$1,987,228	\$1,398,960
TOTAL LIABILITIES	\$2,055,561	\$1,487,899
MEMBERSHIP EQUITY		
MEMBER SHARES	\$100,528,164	\$99,557,443
UNREALIZED GAINS/LOSSES	(\$2,443,629)	(\$1,437,248)
RETAINED EARNINGS	\$20,177,853	\$21,087,761
TOTAL EQUITY	\$118,262,388	\$119,207,956
TOTAL LIABILITIES & EQUITY	\$120,317,949	\$120,695,855
STATEMENT OF INCOME		
INCOME		
INTEREST ON LOANS TO MEMBERS	\$3,912,335	\$4,244,488
INTEREST ON INVESTMENTS & CASH	\$1,136,638	\$933,235
OTHER INCOME	\$2,514,546	\$2,634,417
TOTAL INCOME	\$7,563,519	\$7,812,140
EXPENSES		
SALARY & BENEFITS	\$3,062,473	\$3,254,580
OFFICE OCCUPANCY	\$436,642	\$434,179
OPERATION EXPENSE	\$3,460,857	\$3,551,043
PROVISION FOR LOAN LOSSES	\$484,667	\$317,889
TOTAL EXPENSES	\$7,444,639	\$7,557,692
NON-OPERATING EXPENSES	\$625,441	\$1,174,720
COST OF FUNDS		
DIVIDEND ON MEMBER SHARES	\$623,145	\$519,260
NET INCOME	\$121,177	\$909,908

STATEMENT OF RETAINED EARNINGS

	REGULAR RESERVE	UNDIVIDED EARNINGS	TOTAL
BALANCE DECEMBER, 2024	\$4,713,000	\$9,341,950	\$14,054,950
NET INCOME / REGULAR RESERVE		\$909,908	\$909,908
EQUITY ACQUIRED IN MERGER		\$6,122,903	\$6,122,903
UNREALIZED GAINS/LOSSES		(\$1,437,248)	(\$1,437,248)
BALANCE DECEMBER, 2025	\$5,162,590	\$14,937,513	\$19,650,513

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