

2021 ANNUAL REPORT



PRESIDENT'S REPORT

Anna Lo

President & CEO

Dear Members,

I am honored that our North Jersey FCU Family has continued to make strides toward being the best financial institution for our members and providing excellent member services. Also, I want to give a heartfelt thanks to you for being a loyal member and for being patient with another year of the pandemic, while we upgrade our financial solutions. Furthermore, I appreciate the feedback and concerns with our recent surveys, as your input has assisted us in making changes; we will continue to provide new surveys every quarter, and we look forward to learning more about your experience.

This year is a BIG year for North Jersey FCU. These last twelve months, we have worked on finding the best financial solutions to improve our member experience. This year, we are going live in July with our conversion, bringing you an entirely new member experience. Some of the new features you can expect include personalized banking dashboards, budgeting tools, credit score calculators, external bank transfers, digital wallets, and so much more! Your online and mobile banking involvement with our credit union will be wholly transformed.

North Jersey FCU is making your life easier as you utilize our financial solutions to improve your banking experience. Once you sign up for the new and improved financial solutions, you will notice we have kept you in mind when selecting the banking service with our digital platforms, including your online banking, mobile app, and touchless payment solutions. Additionally, if you are looking for current offers and benefits, you are encouraged to subscribe to our NJFCU email for our updates.

While society and technology continue to evolve and FinTech ("Financial Technology") is becoming the norm, North Jersey FCU is looking for the best

solutions to improve your banking experience. Helping one another is an important mission that has kept North Jersey FCU going for eighty-seven years. We plan always to make you our number one priority!

As of September 30, 2021, our share significantly grew to \$238,813,917. Our net loan portfolio increased by 14.32% to \$128,585,768. Our net worth remains at 8.21%. Total assets were \$259,610,685, and we continue to remain financially sound despite the economic challenges we faced over the last couple of years.

Sincerely,

Anna Lo

Anna Lo
President & CEO

CHAIRMAN'S MESSAGE

George Hampton
Chairman of the Board

Dear Members,

I am pleased to take this opportunity to write directly to our membership and apprise you of the challenges and opportunities that confront us as we move away from 2021-2022 and toward a brighter, expansive future, and in later years, filled with promise, progress, and new directions.

About 86 years ago, in the 1930's, this credit union was created to provide financial services to teachers, nurses, union workers, and other moderate-waged employees who were ignored or excluded by the big banks. Like most credit unions, we were formed to help provide loans for home appliances: refrigerators, stoves, and washing machines. As the decades ensued, we helped with getting larger loans (for example, cars and mortgages).

Today, despite the many hurdles faced in the post-pandemic era, we continue to be economically sound, well capitalized, and have diversified our portfolio to include commercial and business loans, corporate investments, and wealth building strategies.

However, what about the future? Our future lies in our abilities to create a strategic, geographic advantage for our members who live, work, worship, or play in all of New Jersey's seven northern counties. Indeed, we must do more to attract, retain, sustain, and empower our members to embrace financial security.

Yet, we first must admit that, in the past, we have had a few setbacks and challenges that slowed growth and limited our development. We must regain momentum by strengthening our resources in membership, governance, investments, and assets to address these concerns head-on.

Let's work together to ensure a brighter future for our credit union, powered by a financially enlightened society.

The Board of North Jersey Federal Credit Union is committed to providing better services and opportunities to all New Jerseyans.

Sincerely,

George Hampton

George Hampton
Chairman of the Board

SUPERVISORY COMMITTEE REPORT

Gene Vincenti

Chairman of the Supervisory Committee

Dear Members,

The Supervisory Committee is a group of volunteer members, appointed by the Board of Directors, to represent all members. More importantly, we oversee the credit union's regulatory compliance. We evaluate North Jersey FCU's activities and operations to ensure soundness, compliance, and reliability. We ensure the performance of the credit union's annual audit, administer Board of Director elections, independently verify member accounts, and investigate formal complaints. Your Committee is currently composed of volunteers, who collectively bring much experience from the areas of finance, education, modern-technology administration, training, and customer service.

In order to maintain our responsibilities for 2021, we hired the accounting firm, The Curchin Group, to conduct the annual financial audit of the North Jersey Federal Credit Union. We are pleased to inform you that the 2021 Financial Audit Report, effective date September 30, 2021, showed that our financial statements fairly represent the financial position of North Jersey Federal Credit Union.

In addition, Clifton Larson Allen LLC performed quarterly internal audits while The CrossState League performed Bank Secrecy Audit. North Jersey Federal Credit Union continues to be financially sound.

Respectfully,

Gene Vincenti

Gene Vincenti

Chairman of the Supervisory Committee

STATEMENT - Sept. 2021

STATEMENT OF INCOME AND EXPENSES

INCOME	2021	2020
Interest on Loans	\$ 5,497,046	\$ 5,572,540
Income from investment	673,396	1,284,575
Other Operating Income	2,631,288	2,382,711
Total	9,801,730	9,239,826

EXPENSES

Employee Compensation and Benefits	\$ 4,111,230	\$ 3,891,728
Office Occupancy	554,696	533,827
Office Operations	1,633,109	1,717,840
Loan Servicing	193,521	214,301
Professional and Outside Services	1,163,511	1,107,950
Provisions for Loan Losses	764,762	524,852
Educational and Promotional	142,587	186,255
Other Expenses	218,421	301,734
Total	8,781,837	8,478,487
Net Earnings (before dividends)	19,893	796,580

DISTRIBUTION OF EARNINGS

Dividends	334,935	572,989
Reserve	-	-
Undivided Earnings	(315,042)	223,591

STATEMENT OF FINANCIAL CONDITION

ASSETS

Cash and Cash Equivalents	\$ 44,598,838	61,352,312
Loans	126,806,241	121,326,021
Investments	67,999,920	35,703,735
Accounts Receivable	586,129	568,478
Fixed Assets	7,180,832	7,259,364
National Credit Union Share Insurance Fund	2,183,951	1,879,699
Other Assets	10,254,774	9,245,197
Total	259,610,685	237,334,806

LIABILITIES & EQUITY

Members' Share and Savings Accounts	\$ 238,813,917	\$ 216,338,059
Accounts Payable	473,392	595,231
Regular Reserves	2,310,109	2,310,109
Undivided Earnings	18,013,267	18,091,407
Total	259,610,685	237,334,806

CORE VALUE PROPOSITIONS



ABOUT US

MISSION STATEMENT

North Jersey Federal Credit Union builds relationships with the people and communities we serve. We strive to be your primary financial institution to improve your life.

VISION STATEMENT

We will provide service to all members beyond their expectations to create a "Wow Experience" for each of them. We will be convenient, efficient and effective in serving our members throughout the community.

BRANCHES

TOTOWA
(Main Office)



711 Union Blvd.
Totowa, NJ 07512

NEWARK



186 West Market Street
Newark, NJ 07103

**ELMWOOD
PARK**



444 Mola Blvd.
Elmwood Park, NJ 07407

SOCIAL MEDIA

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