

Report from the Chairman of the Board

On behalf of the Board of Directors, I am pleased to report that New Alliance Federal Credit Union (NAFCU) had another strong year in 2018.

Last year we began putting the systems in place to offer our members even more benefits of membership. These included enhancements for our VISA credit and debit cards in the form of our You Choose Rewards Program that allows members to earn rewards points when they use their cards and Instant Issue that enables us to offer same day new and replacement VISA cards. We also added Mobile Deposit to our mobile banking app. Members can now deposit a check from anywhere simply by using their mobile phones or tablets.

Last year we also invested in an all-new phone system and implemented procedures to better ensure you reach a live person each and every time members contact us. Although we can't always catch every call before it goes to the automated attendant, the staff does their best to personally answer the phone every time it rings during business hours.

Each of these new programs and features enables us to stay competitive in the market and offer the products that our members want and need.

Thank you for your support of New Alliance Federal Credit Union.

Alex Barlamas
Chairman of the Board

Directors, Committees and Professionals

Board of Directors

Chairman of the Board
Alex Barlamas

1st Vice Chairman
Mark Rose

2nd Vice Chairman
Ron Churchin

3rd Vice Chairman
Ron Hall

Secretary/Treasurer
Robert Nelson

Directors
Sam DeBona
Domenic Crivelli

Supervisory Committee

Kathy Pellegrini, Chair
Larry Knouse
Sandra Dugan
Mark Rose
Irma Stratus

Nominating Committee

Carol Baker
Scott Dougan
Mark Rose

Legal Counsel

Weltman, Weinberg & Reis Co.

Audit Services

Pennsylvania Credit Union Association

Staff

Florinda Zbrzezny, CEO
Patricia Schimonsky, CFO
Kelly Friedl, Lending Mgr.

Janet Bosh, Operations Spvr.
Jeanne Morris, Branch Mgr.
Beth Orłowski, Branch Mgr.
Malia Rosinski, Branch, Mgr.
Nancy Sigmund, BSA Officer
Erica Zannella, SD/EFT Processor

Katlyn Dinuno, Teller
Fenice Durbin, Collector
Christine Grago, Loan Officer
Brian Hanson, Teller
Matthew Crutchfield, Teller
Bria Jones, Teller
Gretchen Mazza, Loan Officer
Laurie Mraulak, Collector
Alanda Roach, Teller
Pamela Shelton, Loan/Visa Prcsr
Olivia Sherin, MSR
Leslie Uriss Spehar, Mktg/Comm.
Laurie Sutton, Loan Prcsr/CD/IRA
Gerry Teamor, Teller
Nicole Toney, Teller
Megan Torhan, Visa Processor
Angela Yanko, Teller

New Alliance
Federal Credit Union

Annual Report 2018

Annual Meeting Minutes

NAFCU Annual Meeting, held 4/14/18 at Franzee's in Ambridge, PA
Minutes submitted by Alex Barlamas and Robert T. Nelson

Board Present – Alex Barlamas, Sam DeBona, Mark Rose, Ron Hall, Robert Nelson and Ron Churchin
Absent – Domenic Crivelli
Management Present – Florinda Zbrzezny, Pat Schimonsky
Absent – Gina Huntington

Florinda Zbrzezny welcomed everyone in attendance. She stated that 2017 was a year of change and growth in technology and services to our membership. She thanked the members for their patience during the conversion which was an exciting yet challenging transition for all of us. She stated that our goal as we continue to move forward with the changes in technology is to provide our members with the best services while remaining committed to their financial safety and security. Mrs. Zbrzezny introduced the Board of Directors, Supervisory Committee and Nominating Committee. The employees were asked to stand to be recognized while she mentioned their dedication and team work and thanked them as well as all the volunteers for their support of the credit union.

The Chairman of the Board, Alex Barlamas officially called the meeting to order at 6:08 p.m. It was noted that a quorum was present. A motion was requested to accept the 2017 Annual Meeting Minutes as presented to the members. A motion was made by Frank Zelesnick to accept the 2017 Annual Meeting minutes. It was seconded by Bill Gandjos. Motion Carried. Alex Barlamas asked for a motion to accept the 2017 Financial Report. A motion was made by Larry Knouse. It was seconded by Carole Baker. Motion carried.

The Chairman of the Board indicated that there was one incumbents running for the board and that he was unopposed. One vote was cast by Frank Barlamas to accept Ron Hall as a board member. A motion was made by Frank Barlamas to accept board member Ron Hall for a three year term. It was seconded by Larry Knouse. Ron Hall was re-elected to the board.

Committee Reports – - None

Old Business – None

New Business – Bill Gandjos mentioned that all employees should be listed in all future Annual Meeting Booklets.

Door prizes were distributed.

Adjournment – A motion was made by Linda Hall to adjourn the meeting at 6:30 p.m. It was seconded by Ann McKenzie. Motion carried.

Blessing of the food – Robert Teamor

Statement of Income As of 12/31/18

	YTD Dec-2018
INCOME	
=====	
Loan Income	1,662,141.21
Investment Income	627,667.35
Fee Income	693,953.54
Other Income	452,593.47
Total Income	<u>3,436,355.57</u>
Expenses	
=====	
Compensation	779,864.10
Employee Benefits	308,531.13
Travel and Conference	26,032.01
Association Dues	12,218.00
Office Occupancy	196,911.03
Office Operations	986,114.50
Marketing Expense	41,655.58
Loan Servicing	209,539.54
Professional & Outside Services	105,556.38
Provision for Losses	171,593.83
Supervisory and Exam Expense	18,184.54
Cash Over and Short	(879.70)
Annual Meeting	4,600.65
Other Operating Expenses	1,693.09
Total Expenses	<u>2,861,614.68</u>
Dividends	179,390.18
GAIN(LOSS) DSP ASSET	44,263.50
Gain/Loss On Sale Of Investment	
Net Income	<u><u>351,087.21</u></u>

Consolidated Balance Sheet As of 12/31/18

LOANS & CASH	
LOANS TO MEMBERS	0.00
LOANS	0.00
LOANS	25,820,576.19
PORTFOLIO MORTG LOAN PRINCIPAL	3,811,238.83
STUDENT LOANS PRINCIPAL	0.00
ESCROW ADVANCES	0.00
VISA LOANS	3,205,991.92
CASH ADV IN PROG	0.00
ALLOWANCE FOR LOAN LOSSES	(87,172.72)
ALLOWANCE FOR COURTESY PAY LOSSES	(16,386.38)
NET LOANS	32,734,247.84
Accounts Receivable	0.00
Cash	1,241,072.66
INVESTMENTS	
Investments	32,996,371.00
TOTAL INVESTMENTS	32,996,371.00
ACCRUED INCOME & PREPAID EXPENSES	
Accrued Income	797,668.79
NCUSIF	
Prepaid & Deferred Expenses	275,437.58
FIXED ASSETS	
Land & Building (net)	1,165,939.50
FF& E and Leasehold Improvements (Net)	
OTHER ASSETS	
All Other Assets	172,219.22
TOTAL ASSETS	<u>69,382,956.59</u>
LIABILITIES AND EQUITY	
Accounts Payable	350,118.73
Notes and Interest Payable	0.00
Dividends Payable	42,222.15
Suspense	0.00
All Other Liabilities	56,775.87
TOTAL LIABILITIES	449,116.75
TOTAL SHARES	
RESERVES	1,232,429.30
UNDIVIDED EARNINGS	6,505,856.38
NET INCOME (LOSS)	0.00
TOTAL EQUITY	68,933,839.84
TOTAL LIABILITIES AND EQUITY	<u><u>69,382,956.59</u></u>