

Directors, Committees and Professionals



Annual Report 2019

Board of Directors

Chairman of the Board
Mark Rose

1st Vice Chairman
Alex Barlamas

2nd Vice Chairman
Ron Churchin

3rd Vice Chairman
Ron Hall

Secretary/Treasurer
Robert Nelson

Directors
Sam DeBona
Domenic Crivelli

Supervisory Committee

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

Nominating Committee

Carol Baker
Scott Dougan
Mark Rose

Legal Counsel

Weltman, Weinberg & Reis Co.

Audit Services

CrossState Credit Union Association
(formerly PA and NJ Credit Union Associations)

Staff

Florinda Zbrzezny, CEO
Patricia Schimonsky, CFO
Kelly Friedl, COO

Janet Bosh, Operations Spvr.
Josh Chmura, Teller
Zach Collings, Door Security
Fenice Durbin, MSR
Christine Grago, Loan Officer
Brian Hanson, Teller
Sydney Kaminski, Teller
Deb Kuzma, Teller
Gretchen Mazza, Loan Officer
Jeanne Morris, Branch Mgr.
Laurie Mraulak, Collector
Malia Rosinski, Branch Manager
Pamela Shelton, Loan/Visa Prcsr
Olivia Sherin, MSR
Nancy Sigmund, BSA Officer
Leslie Uriss Spehar, Mktg/Comm.
Laurie Sutton, Loan Prcsr/CD/IRA
Gerry Teamor, Teller
Eden Vignovich, Collector
Annaleah Yeykal, Teller
Rachel Yuhasz, Teller
Erika Zannella, SD/EFT Processor



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 performed successfully in 2019. As Chairman, I have witnessed the results of a harmonious and forward-thinking Board of Directors. It is our goal to build on this favorable momentum. I intend to ensure that New Alliance FCU maintains its quality-oriented operation, focusing on members first.

We, as Directors, feel very strongly that your needs and the needs of the community must continue to be met. During 2019 New Alliance introduced several attractively priced loan programs which proved extremely popular among the membership. However, your assistance is best provided in this regard by letting your relatives, neighbors and friends know of our success and financial value. Obviously, your word-of-mouth endorsement is the best and most cost-effective means of advertising available.

With your help, we will easily build towards our future. I would like to thank you for your support of New Alliance Federal Credit Union.

Mark Rose
Chairman of the Board

Minutes from Annual Meeting Held 3/23/19

The NAFCU annual meeting was held at Franzee's in Ambridge, PA on March 23, 2019. Minutes submitted by Alex Barlamas.

Board Present – Alex Barlamas, Sam DeBona, Mark Rose, Ron Hall, Ron Churchin and Domenic Crivelli.

Board Absent – Robert Nelson

Management Present – Florinda Zbrzezny, Pat Schimonsky and Kelly Friedl

Florinda Zbrzezny welcomed the membership and reported on the past, present and future of the Credit Union. She also reported that 2018 was a very productive year and the board and staff at New Alliance were very pleased with the progress they made. She thanked the members for their loyalty and commitment and stated that the members ARE New Alliance FCU.

- Introduction of the Board, Supervisory Committee, Nominating Committee and staff.
- The meeting was called to order by Alex Barlamas, Chairman of the Board, at 6:04 PM. A quorum was present.
- The minutes of the meeting held 4/14/18 were reviewed. Motion was made by Fred Zelesnik, seconded by Carol Baker to accept the minutes. Motion carried.
- The Financial Report was reviewed. Motion was made by Linda Hall, seconded by Jeff Markvan to accept the Financial Report. Motion carried.
- There was one vacancy for the board. Mark Rose and Carol Baker placed a candidate for the three-year term of Domenic Crivelli. Alex asked for any nominations from the floor. There were no further nominations. A motion was made to accept Domenic to the three year term. Motion carried.

Committee Reports, Old/New Business – None

Adjournment - A motion was made by Jeff Markvan, seconded by Fred Zelesnik. The meeting was adjourned at 6:26 PM.

Blessing of the Food - Jeanne Morris

Report from the Supervisory Committee

The primary function of the Supervisory Committee is to protect the assets of your Credit Union. The Committee is responsible for determining that the financial condition of your Credit Union is presented accurately, practices and procedures followed by Management are effective in safeguarding your savings and that rules covering borrowers are properly administered. Board practices are also reviewed to determine that the best possible services are being offered to benefit members.

During 2019, the Supervisory Committee conducted various comprehensive audits consisting of surprise teller cash drawer counts, closed account verifications, dormant account reviews, file maintenance reviews, loan reviews, reviews of insider account activity, as well as verification of individual expense accounts. CrossState, formerly PCUA (Pennsylvania Credit Union Association) was engaged to comply with the external audit requirements of the National Credit Union Association. No material weaknesses were noted.

As required by law, examiners of the National Credit Union Administration conducted an examination of the Credit Union's operations as of June 30, 2019 and your Credit Union received an excellent Camel rating.

The results of the audits and examination have satisfied this Committee and the financial statements prepared by the Credit Union's staff accurately reflect the financial condition of your Credit Union.

Kathy Pellegrini – Chair
Irma Stratus
Sandra Dugan

Report from the Chief Executive Officer

I am pleased to report that New Alliance Federal Credit Union performed successfully in 2019. Our Net Income after dividends was \$159,738.59 and our Assets rose to \$70,443,636.34, representing an increase of 1.50%.

2019 was a year of change and growth in technology and services to our membership. First quarter 2019 we introduced RDC (Remote Deposit Capture) as well as Apple/Google Pay to enhance our existing mobile App. Our goal as we continue to move forward with the changes in technology is to provide our members with the best services available while remaining committed to their financial safety and security.

We partnered with American Income Life to provide free AD&D insurance to our members in February 2019 generating non-interest income for the credit union while offering a valuable asset to our members. We also partnered with the Community College of Beaver County (CCBC) and opened an office on campus in the Student Services Building in September 2019. Our efforts will be focused on assisting the youth of Beaver County in learning the importance of financial literacy.

In December 2019 we were very pleased to introduce our new tree Mascot – ALLIE. In a crowded marketplace, she helps people easily identify our message “COME GROW WITH US.” We feel that an engaging mascot helps the credit union stand out to members of all ages in a positive manner.

We are and will continue to be a family-oriented organization. My staff and I take great pride in the relationships we have established over the years with our members. We look forward to future growth and will continue to provide you with exceptional member service. Thank you for your support and loyalty. We are delighted to have you as part of our credit union family.

Florinda Zbrzezny
Chief Executive Officer

Statement of Income

As of 12/31/19

	YTD Dec-2019
INCOME	
=====	
Loan Income	1,694,947.47
Investment Income	683,073.83
Fee Income	576,500.95
Other Income	436,065.30
Total Income	<u>3,390,587.55</u>
EXPENSES	
=====	
Compensation	848,948.18
Employee Benefits	326,183.01
Travel and Conference	22,743.05
Association Dues	12,965.00
Office Occupancy	201,768.05
Office Operations	1,075,014.38
Marketing Expense	51,698.95
Loan Servicing	166,629.65
Professional & Outside Services	114,765.35
Provision for Losses	105,286.49
Supervisory and Exam Expense	18,704.14
Cash Over and Short	3,379.14
Annual Meeting	7,069.72
Other Operating Expenses	65.35
Total Expenses	<u>2,955,220.46</u>
Dividends	261,625.60
GAIN(LOSS) DSP ASSET	14,002.90
Gain/Loss On Sale Of Investment	
Net Income	<u><u>159,738.59</u></u>

Consolidated Balance Sheet

As of 12/31/19

LOANS & CASH		
LOANS TO MEMBERS	0.00	
LOANS	0.00	
LOANS	26,714,710.90	
PORTFOLIO MORTG LOAN PRINCIPAL	3,593,457.92	
STUDENT LOANS PRINCIPAL	0.00	
ESCROW ADVANCES	542.32	
VISA LOANS	3,285,107.57	
CASH ADV IN PROG	982.00	
ALLOWANCE FOR LOAN LOSSES	(91,908.19)	
ALLOWANCE FOR COURTESY PAY LOSSES	(13,116.32)	
NET LOANS		33,489,776.20
Accounts Receivable	0.00	
Cash	950,328.97	
INVESTMENTS		
Investments	33,696,142.04	
TOTAL INVESTMENTS		33,696,142.04
ACCRUED INCOME & PREPAID EXPENSES		
Accrued Income	814,668.91	
NCUSIF		
Prepaid & Deferred Expenses	340,072.66	
FIXED ASSETS		
Land & Building (net)	1,152,647.56	
FF& E and Leasehold Improvements (Net)		
OTHER ASSETS		
All Other Assets	0.00	
TOTAL ASSETS		<u>70,443,636.34</u>
LIABILITIES AND EQUITY		
Accounts Payable	673,459.25	
Notes and Interest Payable	0.00	
Dividends Payable	50,583.56	
Suspense	0.00	
All Other Liabilities	23,868.21	
TOTAL LIABILITIES		747,911.02
TOTAL SHARES		61,797,701.05
RESERVES	1,232,429.30	
UNDIVIDED EARNINGS	6,665,594.97	
NET INCOME (LOSS)	0.00	
TOTAL EQUITY		<u>69,695,725.32</u>
TOTAL LIABILITIES AND EQUITY		<u><u>70,443,636.34</u></u>