



**2022 ANNUAL REPORT**

**WINDSOR LOCKS FEDERAL CREDIT UNION**

**Board of Directors**

Jason Cutler, *Chairman*

Michael Gladue, *Vice Chairman*

Peter Juszczynski, *Treasurer*

Michael Wrabel, *Secretary*

Lynn Pellerano, *Director*



## Meet the Directors



### **Jason Cutler, Chairman**

Jason joined the *WLFCU Board of Directors* in 2013, and became Chairman in 2019. He is a Certified Financial Planner with *Charter Oak Financial*. Jason focuses his practice on the financial planning needs of families, risk management, and retirement income planning. He also works with small businesses specializing in qualified plan implementation and succession planning. Outside of the office, Jason is the president of the *Windsor Locks Soccer Club* and enjoys running, coaching, and watching his kids play sports. A lifelong resident of Windsor Locks, CT, Jason currently resides there with his wife and two children.



### **Michael Gladue, Vice Chairman**

Michael lives in Windsor with his wife, Mary. He joined the *WLFCU Board of Directors* in 2011. Mike has enjoyed a lifelong career as a master auto mechanic and President of *Nutmeg Auto Service, Inc.* in Hartford, CT.



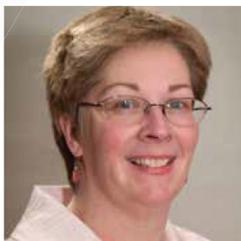
### **Peter Juszczynski, Treasurer**

A member of the credit union since 1986, Peter started his service as part of the Supervisory Committee in 2014, and became a Board Member in 2019. Peter serves as Secretary of the Board, as well as Chairman of the Personnel Committee. Professionally, Peter has served as *Windsor Locks Tax Collector* since 2014, and as President of the *Hartford County Tax Collectors Association* since 2018. Peter is also a certified instructor for the *Certified Connecticut Municipal Committee*. Peter and his wife Jennifer have been married 23 years and reside in Windsor Locks.



### **Michael Wrabel, Secretary**

Mike is a life-long resident of Windsor Locks. He served as the Director of Public Works for the towns of Windsor Locks, Simsbury and Longmeadow MA for a total of 37½ years. His work involved developing operational and capital budgets that exceeded \$7.5M. Mike graduated from *WLHS* in 1970. He then attended *Eastern Connecticut State University* and graduated with a BA in Biology (1974), and earned a Master of Public Administration degree from the *University of Hartford* (1985). Mike is a member of the *Windsor Locks Lions Club*. He joined the *WLFCU* Supervisory Committee in 2017 and became Secretary of the Board in 2022. Mike has 4 adult children, all married with a total of 11 grandchildren.



### **Lynn Pellerano, Director**

Lynn was a Windsor Locks resident through high school and then left the area to pursue career options – one of which was the *Air Force Reserves*. She served six years in the active reserves, one year being on active duty during the Persian Gulf War. She has spent all of her working years outside of the military in management in the restaurant and retail industry. She has been employed at *MassMutual* in Springfield, MA for the past eighteen years as a Director in the Operations area. Lynn is also a two time graduate of *Bay Path University*. She started supporting the *WLFCU* as a Supervisory Committee member in 2011 and has recently assumed the responsibility of Supervisory Committee Chairperson and Director.

# Report of the Chairman

Dear Members,

*Windsor Locks Federal Credit Union* maintained a strong financial position throughout 2022. Your Credit Union's assets grew by approximately 6%, ending the year at over \$86.7 million in assets. We continued to serve the lending needs of our members with 298 new loans and 18 new lines of credit. We remain one of the preferred lenders in the area, and provided numerous loans for members to purchase homes, automobiles, RV's, boats, consolidate debt and make home improvements. We supported our members efforts to improve their financial positions by continuing our focus on financial wellness and enhancing our Debt Management program. Member share accounts grew by over \$4 million overall in 2022!

The *National Credit Union Administration* considers *Windsor Locks Federal Credit Union* to be a well-capitalized institution, ending 2022 with a capital position of 8.43%. We opened 415 new share accounts throughout the year. Our initiative to spread membership concentration outside of Windsor Locks was successful in 2022 with 198 new accounts coming from other towns and 213 new accounts coming from Windsor Locks. Your credit union provides members with a full suite of banking services, including financial counseling and investment services, which was introduced in 2022.

Economic conditions continued to improve nationwide despite inflationary challenges. In March, the *Federal Reserve* began its effort to control inflation with a series of rate hikes. The Federal Funds rate increased from near zero in the first quarter to nearly 5% by year end. Inflation reached a 40-year high in June 2022 at 9.1%, which decreased to 6.5% by December. The increased cost of goods and services has contributed to a historic rise in revolving consumer debt in the U.S. *WLFCU* saw a 12% increase in line of credit usage as members took advantage of our consumer friendly revolving credit options.

Employment conditions improved throughout the year in the U.S. The national unemployment rate came in at 3.5% for December 2022, compared to 5.1% the year before. *WLFCU* had another year with minimal staff turnover and several position promotions. Three staff members earned their *Certified Credit Union Financial Counselor* designation.

Competitive rates, strong demand, and tight inventory continued to challenge real estate and automobile lending in 2022. Home prices climbed 15% across the country and homebuilding dropped significantly with skyrocketing material costs. New and used vehicle prices also saw significant year-over-year increases. Your credit union disbursed over \$4.4 million in first mortgages and over \$2.5 million in automobile loans, helping members to achieve their financial goals.

*Windsor Locks Federal Credit Union* continued its initiative to upgrade technology products and services in 2022. We implemented an enhanced online consumer loan application, allowing our members to transmit and upload all the information needed at the time of application. We also began offering an online home equity loan application for our borrowers' convenience. Contactless transaction technology was added to new *WLFCU* debit and HSA cards. The Credit Union's conference room was also upgraded for hybrid meeting technology and training.

Your Credit Union supports many charitable causes each year and demonstrates the guiding principle of "People Helping People." In 2022, we made donations to 11 different local organizations and initiatives. We also awarded our annual scholarship to a *Windsor Locks High School* Senior and conducted Financial Wellness presentations for several local groups.

I would like to thank all members for your continual support of the Credit Union. I also thank my fellow Board members, Supervisory committee members, and the Staff and Management for the continued success of the Credit Union.

Respectfully Submitted,



**Jason Cutler**  
Board Chair

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## Meet The Supervisory Committee

### **Michael Wrabel**

Mike is a life-long resident of Windsor Locks. He served as the Director of Public Works for the towns of Windsor Locks, Simsbury and Longmeadow MA for a total of 37½ years. His work involved developing operational and capital budgets that exceeded \$7.5M. Mike graduated from *WLHS* in 1970. He then attended *Eastern Connecticut State University* and graduated with a BA in Biology (1974), and earned a Master of Public Administration degree from the *University of Hartford* (1985). Mike is a member of the *Windsor Locks Lions Club* and has been on the *WLFCU* Supervisory Committee for over 3 years. Mike has 4 adult children, all married with a total of 11 grandchildren. He has been happily retired for over 5 years.

### **Gail Parley**

Gail has been an active member of *WLFCU* since 1999. She served as para-educator in the Windsor Locks school system for over 10 years. Gail has lived in Windsor Locks 38 years, where she raised five children. As a parent she was involved with Water Jets and soccer programs, served as a *Girl Scout* leader for 12 years, and also taught CCD at *Saint Mary's Parish*. In her retirement, Gail enjoys reading, spending time with her family, and serving on the Supervisory Committee.

### **Kelly Miffitt**

Kelly has worked in finance for the past four years, specializing in the areas of AP, AR and payroll. She has been an active member of *WLFCU* since 2002 and joined the Supervisory Committee in 2020. Kelly was raised in Windsor Locks graduated from *WLHS*. She enjoys volunteering, in order to give back to the community where she grew up.

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## Report of the Supervisory Committee

The Supervisory Committee is composed of three qualified Credit Union members who are appointed by the Board of Directors at the organizational meeting which follows the Annual Meeting. The Committee meets often and attends Board Meetings regularly.

The Committee hires an independent audit firm to conduct the annual and internal audits each year. The firm of *Doeren Mayhew* was selected to complete the audit for 2022 on behalf of the Supervisory Committee. The annual audit reviews the statements of financial condition, related statements of income, member's equity and cash flows for the year ending December 31, 2022 and also compared the results to 2021. Audits are conducted in accordance with auditing standards generally accepted in the *United States of America*. The standards require that the auditing firm plan and perform the audit to obtain reasonable assurance that the financial statements are free of material misstatements. The audit includes examining, on a test basis evidence supporting the amounts and disclosures in the financial statements. The audit also includes assessments of the accounting principles used and significant estimates that were made by Management, as well as evaluating the overall financial presentation.

The 2022 financial audit is currently in progress as of April 2023. *Windsor Locks Federal Credit Union* has consistently achieved good results in this exam over the past several years. As a result of the findings and conclusions reached during the 2021 audit, and in conjunction with meeting with the auditors, it is the opinion of the Supervisory Committee that the financial interests of members are well protected. Credit Union business was conducted in a professional manner and was in compliance with appropriate Federal regulations. A clean opinion with no material findings is anticipated for 2022.

For the year ending December 31, 2022, additional internal audits were conducted in the areas of *ACH (Automated Clearing House)*, *Bank Secrecy Act*, the *Safe Act*, *Fair Lending*, *Real Estate Lending*, *OFAC (Office of Foreign Assets Control)*, *Online Banking*, *Website*, and more, in order to ensure proper controls and procedures were followed. Completed audit results were presented to the Supervisory Committee and to the Board of Directors, whereupon any findings were addressed. Members of the Supervisory Committee were provided BSA training in 2022.

For several years, *Castlegarde, Inc.* has conducted an annual information security audit on site at the Credit Union. The firm also provides quarterly external penetration testing. All results are reported to the Supervisory Committee and the Board of Directors. In 2022, and for the past several years, the Credit Union's audit results have exceeded standards. All employees and Directors receive annual training in Information Security. Besides supervising the annual audit performed by *Doeren Mayhew* and the other internal audits, the Supervisory Committee members perform their own monthly audits to ensure that proper procedures are followed. These audits include reviewing teller cash

drawer and vault audits, new and closed accounts, employee and officer accounts, overdrawn share accounts, as well as member loan files.

Respectfully Submitted,  
**Lynn Pellerano**  
*Supervisory Committee Chairperson*

**Gail Parley**  
**Kelly Miffitt**  
**William Hamel**  
*Supervisory Committee Members*

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## Report of the Treasurer

As of December 31, 2022 Windsor Locks Federal Credit Union's total assets were \$86.7 million, representing a year-over-year increase of \$4.8 million. The Credit Union ended 2022 with its regular reserve and undivided earnings at \$7.3 million, representing a net worth ratio of 8.43%.

In 2022, the Credit Union's loan portfolio increased by over \$3 million to \$37,099,146. The real estate portfolio had an increase of two million dollars mainly in first mortgages. Consumer loans had an increase of over one million dollars, mainly in the vehicle loans.

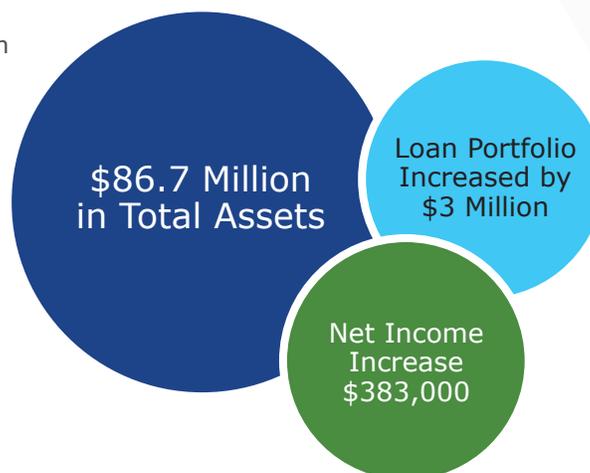
Total shares and total assets experienced another year of significant growth, increasing by nearly \$4 million. Our investment portfolio grew by approximately \$570,000 and has sustained its balance of \$40 million for a second year.

Overall expenses increased by over \$175,000 in 2022. This was mainly due to the preparation expenses for the Credit Union's rebranding. Compensation and benefits expense increased by \$97,000 due to an increase in wages.

The Credit Union's net income increased by \$383,000 in 2022, ending the year at \$542,587. The Credit Union received two disbursements from the *NCUA* for the liquidation of their previous corporate Credit Union, *Constitution Corporate FCU* which totaled \$272,191. Investment income increased by \$94,000 due to new investments repricing at a higher interest rate.

The *Federal Reserve* had seven rate hikes, representing a cumulative increase of 4.25% throughout the year. Despite continued uncertainty fueled by inflationary pressure, a possible recession looming, and a raising interest rate environment, *Windsor Locks Federal Credit Union* ended the year financially stable and is looking toward a successful 2023.

**Peter Juszczynski, Treasurer**



# Statement of Condition

For The Years Ended December 31, 2022 - 2021

<b>ASSETS</b>	<b>2022</b>	<b>2021</b>
Residential Mortgage Loans	30,695,884	28,392,700
Member Business Loans	159,795	178,576
Consumer Loans	6,243,467	5,242,567
Less: Allowance for Loan Losses	-97,457	-52,775
<b>Net Loans</b>	<b>37,001,689</b>	<b>33,761,069</b>
Cash and Cash Equivalents	5,209,122	4,258,480
Investments	40,920,549	40,346,732
Accrued Income Receivable on Loans	90,206	72,039
Accrued Income Receivable on Investments	71,555	61,478
Premises and Equipment	1,155,855	1,211,187
Prepaid Expenses	152,586	61,810
Real Estate Acquired by Foreclosure	0	0
National Credit Union Share Insurance Fund (NCUSIF) Capitalization Deposit	786,484	720,260
Other assets	1,352,292	1,356,511
<b>Total Assets</b>	<b>86,740,338</b>	<b>81,849,566</b>
<b>LIABILITIES</b>		
Notes Payable	0	0
Dividends Payable on Shares	1,680	1,192
Accounts Payable, Escrows and Other Liabilities	1,190,131	930,586
<b>Total Liabilities</b>	<b>1,191,811</b>	<b>931,779</b>
<b>SHARES AND MEMBERS' EQUITY</b>		
Share and Club Accounts	38,605,030	34,186,644
Savings Plus and IRA Shares	10,203,491	11,018,129
Certificates	10,612,126	13,448,754
Sharedrafts	18,814,828	15,493,796
<b>Total Shares</b>	<b>78,235,475</b>	<b>74,147,322</b>
Regular Reserve	538,355	538,355
Undivided Earnings	6,774,697	6,232,110
<b>Total Equity</b>	<b>7,313,052</b>	<b>6,770,465</b>
<b>Total Liabilities and Members' Equity</b>	<b>86,740,338</b>	<b>81,849,566</b>

# Statement of Operations

For The Years Ended December 31, 2022 - 2021

<b>OPERATING INCOME</b>	<b>2022</b>	<b>2021</b>
Residential Mortgage Loans	1,208,695	1,150,572
Member Business Loans	12,045	12,074
Consumer Loans	343,669	305,277
Investments	437,332	343,216
Fee Income	606,455	539,727
Other Operating Income	40,351	38,599
<b>Total Operating Income</b>	<b>2,648,547</b>	<b>2,389,466</b>
<b>INTEREST EXPENSE</b>		
Dividends on Shares	118,649	189,351
Other Borrowed Money	0	1
<b>Total Interest Expense</b>	<b>118,649</b>	<b>189,352</b>
<b>Net Interest Income</b>	<b>2,529,898</b>	<b>2,200,114</b>
Provision for Loan Losses	25,000	-25,000
<b>Net Interest Income after Provision for Loan Losses</b>	<b>2,504,898</b>	<b>2,225,114</b>
<b>OPERATING EXPENSES</b>		
Compensation and Benefits	1,297,899	1,200,483
Office Occupancy and Operations	702,772	650,381
Other General and Administrative	219,641	192,983
Examination and Supervision	14,190	14,425
<b>Total Operating Expense</b>	<b>2,234,502</b>	<b>2,058,272</b>
Non-operating Income (Expense)		0
Gain (Loss) on Sale of Repossessed Assets	272,191	-8,131
<b>Net Income</b>	<b>542,587</b>	<b>158,710</b>

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# Report of the Credit Committee

The Credit Committee of *Windsor Locks Federal Credit Union's* objective is to ensure the Credit Union meets the borrowing needs of its community. The Committee makes certain that loans are granted to members as needed, but made prudently thereby safeguarding members' deposits. Whether it is helping a member buying a new car, finance a home purchase, debt consolidation or tap into their home equity, we are here to assist our members with service that is personal, quick, easy and economical.

In 2022, Loan Officers originated 316 new loans totaling over \$10 million, including 249 consumer loans and 67 residential loans. We were able to approve the vast majority of our members' requests.

Our partnership with *Allanach Mortgage Group* continues to generate earned income for the Credit Union. In 2022 we earned \$13,685.46. They offer additional mortgage loan options such as, *FHA, VA* and *USDA* to our members. We offer a variety of mortgage terms ranging from 8 year to 30-year mortgages.

Every year the Credit Union focuses on providing affordable financing to our members. We keep our rates as competitive as possible. In 2022, we offered variety of loan special rates throughout the year, such as: debt consolidation loans in April, consumer specials in March/August, Auto refinance specials in April and November, President's Day Auto Special in February, Columbus Day Auto Loan in October and Member Loyalty Loan in January and August. As in previous years, we offered Skip-A-Pay in December.

We always encourage members with loans financed elsewhere to take advantage of our lower rates by moving their loans to the Credit Union. Our Meet-or-Beat program continues to help many members to get the best possible rate.

The Credit Union tries to be empathetic to all of our members. Many times, through no fault of their own, they experience financial hardship. Extensions, deferrals, modifications, and troubled debt restructures are some of the methods used by the Credit Union to help borrowers bring and keep their loans current. We continue to offer debt consolidations loans in order to reduce the monthly obligations. Unfortunately, we can't always help everyone. As a result of our continued efforts to help our member's, we ended the year with a delinquency ratio of 1.31%.

The Credit Union implemented the Financial Wellness Program April to assist our members manage their money, improve their credit rating and plan for their future. This leads to greater financial resilience. These services boost confidence and increase adoption of good financial habits like regularly saving money, managing money effectively, and reducing debt burdens. Our certified financial counselors help members achieve a better relationship with their finances. This service is offered to all members free of charge. It is complemented by our enhanced Debt Management Program, which helps members consolidate debt and potentially improve their credit.

*Windsor Locks Federal Credit Union* is committed to protecting the assets of our members while maintaining a trustworthy source of affordable credit. We constantly strive to improve our members' financial well-being by providing tangible savings opportunities across all of our loan products. Our goal is to continue our commitment to provide a wide range of superior credit services that meets our members' needs, while preserving the safety and soundness of the Credit Union.

Respectfully submitted,

**Dolores P Rodrigues**  
*Lending Manager*

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# Windsor Locks Federal Credit Union Staff

**Shaquanna Applewhite**

*Member Services Supervisor*

**Nicole Bensley**

*Member Services Representative*

**Bob Brawders**, 1 Year of Service

*Business Development & Marketing Specialist*

**Duarte Cabral**, 6 Years of Service

*VP of IT*

**Zenaida Garcia**, 2 Years of Service

*MSR Supervisor*

**Holly Hanson**, 8 Years of Service

*Lending Supervisor/Mortgage Officer*

**Pat Javorski**, 15 Years of Service

*Chief Operating Officer*

**Debbie Marconi**, 20 Years of Service

*VP of HR & Marketing*

**Linda Moorhouse**, 8 Years of Service

*Loan Solution Specialist*

**Alison Nolan**, 5 Years of Service

*Accounting Assistant*

**Zenja Ortiz**

*Loan Officer*

**Melanie Robinson**, 7 Years of Service

*BSA Specialist/MSR Supervisor*

**Dede Rodrigues**, 3 Years of Service

*Lending Manager*

**Izaya Sanderson**

*P/T Member Services Representative*

**Tara Schiralli**, 1 Year of Service

*P/T Member Services Representative*

**Matthew Soovajian**, 1 Year of Service

*IT Assistant/Loan Officer*

**Charla Stetson**, 11 Years of Service

*President/CEO*

**Joseph Testoni**, 1 Year of Service

*Senior Member Services Representative*

**Alysha Wanczyk**, 1 Year of Service

*Member Services Manager*

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## **A Message from our CEO:** *Transitioning to Riverbank Federal Credit Union*

This is the last Annual Report of *Windsor Locks Federal Credit Union*. As the saying goes, when one door closes another opens. Changing our name to *Riverbank Federal Credit Union* opens our doors to more potential members in Hartford County. It will allow us to share what you love about your Credit Union with a larger community.

We appreciate your support of the name change, as the feedback has been overwhelmingly positive. We stand by our promise that it is a change in name only. We still offer the same great services with the same friendly staff. As we move forward as *Riverbank FCU*, growing our credit union will benefit all members. Growth helps us achieve our vision: Expanding our products and services to meet the needs to existing and future members while staying true to our core values and principles.



The staff at *Riverbank FCU* is committed to advancing the legacy which started as *Saint Mary's Parish Federal Credit Union* in 1940. You, our members, are at the heart of our mission. You are the reason for everything we do. We appreciate your loyalty and support over the years and we look forward to serving your banking needs into the future.

All my best,

**Charla Stetson**

*Riverbank FCU President/ CEO*

# Supporting Our Community in 2022

## W.L. Lion's Club

We were a sponsor at the Lion's Club 26th Annual Bradley Road Race.

## W.L. Dollars for Scholars

Sean Allen was the 2022 recipient of the WLFCU annual scholarship.

## Trees for Windsor Locks

Sponsored the Windsor Locks organization which raised funds through community donations that were used for tree planting and materials.

## W.L. Little League

Sponsored one of the towns' Little League teams.

## The Olive Branch

One of our quarterly donations from the staff's "Dress Down Day". The Olive Branch is a community space which extends goodwill to children and teens, as well as families who are receiving support from the Department of Children and Families. Gifts are available to families with open DCF cases.

## W.L. Fire Department

We were a sponsor at the W.L. Fire Department's Annual Carnival which helped fund their fireworks display.

## Stuff the Bus

Staff and members donated to Windsor Locks Social Service's drive to provide school supplies to children who struggled to afford.

## Student Art Exhibit

We displayed student artwork in our lobby along with social media features in partnership with the Windsor Locks Arts Council.

## Golf Tournament Sponsor

WLFCU sponsored many community golf tournaments in 2022 which included the following: Bradley Regional Chamber, Knights of Columbus, and Athletic Hall of Fame

## W.L. High School

We took part as a sponsor in the first edition of Locksopoly. The games were sold before the holidays and the profits from the sale went to benefit the Windsor Locks High School Student Activity Fund.

## Financial Wellness

WLFCU personnel gave financial wellness presentations to audiences at the Urban League of Greater Hartford, Stonebrook Assisted Living, and the CT Department of Children and Families.

## Walk to End Alzheimer's

Another quarterly donation from our "Dress Down Day" went to sponsor Team Denise Balboni at the annual Alzheimer's Walk in the fall.

## Shred Day

We provided a free paperwork shredding day at WLFCU and collected non-perishable food donations for the Windsor Locks Food Bank.

## Adopt-A-Family

We donated one of our "Dress Down Day" checks to the town of Windsor Locks to support the holiday Adopt-A-Family program. This program provides gifts to deserving families.

## Project Elf

We collected toys for Windsor Locks Social Services holiday gift giving program Project Elf.





516 Spring Street • Windsor Locks, CT 06096 • 860-292-2940

[wlfcu.com](http://wlfcu.com)