

2023 ANNUAL REPORT

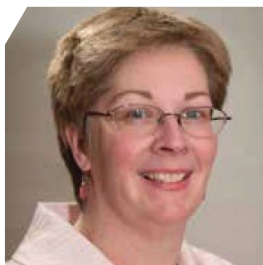


Riverbank
FEDERAL CREDIT UNION

BOARD OF DIRECTORS

Lynn Pellerano, Chairperson
Michael Wrabel, Vice Chairperson
Peter Juszczynski, Treasurer
Barbara Padegimas, Secretary
Charla Stetson, Director

MEET THE DIRECTORS



LYNN PELLERANO, CHAIRPERSON

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 roles in the restaurant, retail and financial services industries. She has been employed at MassMutual in Springfield, MA since 2001 and is currently a Director in the Operations area. Lynn is also a two-time graduate of Bay Path University in Longmeadow, MA. She started supporting RFCU as a Supervisory Committee member in 2011, served as the Supervisory Committee Chairperson and Director. She currently serves as the Chairperson of the Board of Directors. Lynn is married to her wife Amber and they share a home in Enfield, CT with their fur babies.



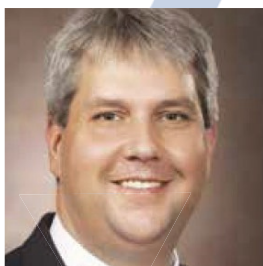
MICHAEL WRABEL, VICE-CHAIRPERSON

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 37 ½ years. 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 39 year member of the Windsor Locks Lions Club. He joined the RFCU Supervisory Committee in 2017, became Secretary of the Board in 2022 and is currently the Vice Chairperson of the Board. He also volunteers as a member of the Windsor Locks Athletic Hall of Fame committee and as a Trustee of the Windsor Locks War Veterans' Memorial (Memorial Hall). Mike has 4 adult children, all married, and 11 grandchildren.



BARBARA PADEGIMAS, SECRETARY

Bobbie has been a member of RFCU since moving to Windsor Locks from Springfield in the early 80's. She raised 3 daughters in town, and spent several years coaching girls' soccer in town. She recently retired from a 25-year career in nursing, having worked long term health care as well as utilization review for an insurance company. In her retirement, Bobbie enjoys trips to California to visit her grandsons. She's taught herself how to complete jigsaw puzzles and help out with accounts receivables/payables at her husband's company.



PETER JUSZCZYŃSKI, 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 Treasurer 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 from 2018-2022. Peter is also a certified instructor for the Certified Connecticut Municipal Committee. Peter and his wife Jennifer reside in Windsor Locks.



CHARLA STETSON, DIRECTOR

Charla has lived most of her life in Windsor Locks. She holds a degree in Business Administration with a focus in Finance from Cambridge College. Prior to her career at Riverbank FCU, she worked in management roles in food service and then in logistics. She started at RFCU in 2011 as a Teller/ Member Services Representative. She has served in the roles of Member Services Manager, BSA Officer, VP of Operations, and is now the President/ CEO. She was appointed to the Board of Directors in 2023. Charla enjoys volunteering with Trees for Windsor Locks, and spends all of her free time riding and training horses.

REPORT OF THE CHAIRPERSON

Dear Members,

Riverbank Federal Credit Union maintained a strong financial position throughout 2023. Your Credit Union's assets decreased by approximately 3%, ending the year at nearly \$84 million in assets. We continued to serve the lending needs of our members with 263 new loans and 10 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, consolidate debt and make home improvements. Economic conditions influenced members' spending and borrowing habits in 2023, and members' shares decreased by 3.2% as pandemic era savings began to deplete.

The National Credit Union Administration considers Riverbank Federal Credit Union to be a well-capitalized institution, ending 2023 with a capital position of 8.85%. We opened 332 new share accounts throughout the year. Our initiative to spread membership concentration outside of Windsor Locks was successful with 149 new accounts coming from other towns and 183 new accounts coming from Windsor Locks. Your credit union provides members with a full suite of banking services, including financial counseling and investment services.

Americans continued to experience inflationary challenges throughout 2023. The Federal Reserve continued raising interest rates with four hikes throughout the year totaling 100 basis points. The Fed seeks to bring inflation down to its 2% target from what was 3.4% at the end of 2023. Inflation has been on a downward slope since its 2022 peak, but it has been a slow deceleration due to wage inflation not keeping pace. Inflation is projected to drop to 2.4% in 2024 and to 2.2% in 2025.

The first half of 2023 saw a very strong labor market with explosive growth in some sectors. The pace slowed in the second half. In October, unemployment rose to 3.9%, its highest level since January 2022. Hourly wages grew by 0.02% throughout the year. While pandemic-era savings drove consumer demand in most of 2023, rising wages have picked up some of the slack as those funds are depleted. Consumer spending is the primary driver of the economy.

Real estate purchases experienced a contraction in 2023. High interest rates, low inventory, and skyrocketing home prices made housing its most expensive since 1984. Home sales hit a 13-year low and the average monthly payment on a new mortgage was 91% higher in 2023 than 2 years prior. While financial institutions experienced record high mortgage originations in 2022, they saw record lows in 2023. Vehicle loans took the driver's seat. New vehicle sales were up over 11% year-over-year and used vehicle sales held steady. Your credit union disbursed over \$2.2 million in first mortgages and over \$2 million in automobile loans, helping members to achieve their financial goals.

Riverbank Federal Credit Union continued to improve services in 2023. We enhanced our debit card program by changing processors to PSCU, a credit union cooperative. The change allowed us to add a 24-hour call center, a debit card control mobile application, and text message transaction alerts. We also added to our staff a Full Time Compliance Specialist and a Universal Solutions Specialist to better protect our Credit Union and serve our members.

Your Credit Union supports many charitable causes each year and demonstrates the guiding principle of "People Helping People." In 2023, we made donations to 9 different local organizations and initiatives. We also awarded our annual scholarship to a Windsor Locks High School Senior and conducted Financial Wellness presentations for 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,
Lynn Pellerano
Board Chairperson

MEET THE SUPERVISORY COMMITTEE

KELLY MIFFITT, CHAIRPERSON

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

SAVANDA LATRECE GASQUE

Savanda Latrece Gasque is a native of Georgetown, S.C. and currently resides in Hartford, CT. She is an entrepreneur, advocate, writer, motivational speaker and stand-up comedian. As a self-published author, Savanda has published 8 books. Savanda was the host/producer of "Keepin It Real" community television broadcast. She enjoys giving back to the community and has organized and extended outreach services to several cities and states throughout the east coast. Savanda is passionate and intentional about inspiring others to achieve their goals and dreams. She began serving on Riverbank FCU's Supervisory Committee in 2023.

GAIL PARLEY

Gail has been an active member of RFCU since 1999. She served as para-educator in the Windsor Locks school system for over 10 years. Gail has lived in Windsor Locks for over 40 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.

BILL HAMEL

Bill Hamel has been an active member of Riverbank Federal Credit Union for over 50 years. He was raised in Windsor Locks, and returned there after completing his education. He has been active in the civic life of the community, having served the Town on the Board of Finance, the Sewer Commission, multiple Charter Revision Commissions, as Town Treasurer and as Town Clerk and Registrar of Vital Statistics. In retirement Bill was looking for a way to continue supporting the community and its citizens, and found a good fit by joining our Supervisory Committee in 2022.

REPORT OF THE SUPERVISORY COMMITTEE

The Supervisory Committee is composed of four 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 2023 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, 2023 and also compared the results to 2022. 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 2023 financial audit is currently in progress as of April 2024. Riverbank 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 2022 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 2023.

For the year ending December 31, 2023, additional internal audits were conducted in the areas of ACH (Automated Clearing House), BSA (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. All employees and volunteers receive annual training in BSA.

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 2023, and for the past several years, the Credit Union's audit results have exceeded standards. All employees and volunteers 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 membership and loan files.

Respectfully Submitted,

Kelly Miffitt
Supervisory Committee Chairperson

Gail Parley
William Hamel
Savanda Latrece Gasque
Supervisory Committee Members

REPORT OF THE TREASURER

Riverbank Federal Credit Union's total assets were \$83.9 million at year-end 2023, representing a decrease of \$2.7 million. The Credit Union's reserves and undivided earnings are at \$7.4 million representing a net worth ratio of 8.85%.

In 2023, the Credit Union's loan portfolio decreased by two million dollars to \$35,046,410, which was mainly in the first mortgages. This decrease was due to payoffs. Consumer loans had an increase of \$140,000 mainly in the vehicle loans.

The total shares significantly decreased by \$2.5 million. The investment portfolio grew by \$1.6 million dollars and has sustained its balance of \$40 million for a third year.

Overall expenses increased by over \$348,000 in 2023. This was mainly due wage increases for employees and the Credit Union's rebranding. Compensation and benefits expense increased by \$225,000 and office occupancy and operations increased by \$75,000.00.

The Credit Union's net income decreased by \$280,000 in 2023, to \$262,864. The Credit Union received one disbursement from the NCUA for the liquidation of its previous corporate credit union, Constitution Corporate FCU that totaled \$25,092. Investment income increased by \$371,000 due to new investments repricing at a higher rate of 5%.

The Federal Reserve had four rate hikes, a cumulative 1.00% throughout the year, following seven increases for a cumulative 4.25% in 2022. Riverbank Federal Credit Union net capital increased by 57 basis points from the previous year and continues to be viewed as "well-capitalized" by our regulators. Riverbank Federal Credit Union ended the year financially stable and is looking toward a successful 2024.

Peter Juszczynski
Treasurer



STATEMENT OF CONDITION

For The Years Ended December 31, 2023 - 2022

ASSETS	2023	2022
Residential Mortgage Loans	28,487,441	30,695,884
Member Business Loans	174,130	159,795
Consumer Loans	6,384,839	6,243,467
Less: Allowance For Loan Loss	-238,260	-97,457
Net Loans	34,808,150	37,001,689
Cash and Cash Equivalents	3,227,536	5,209,122
Investments	42,280,833	40,920,549
Accrued Income Receivable on Loans	92,875	90,206
Accrued Income Receivable on Investments	154,200	71,555
Premises and Equipment	1,116,757	1,155,855
Prepaid Expenses	115,029	152,586
Real Estate Acquired by Foreclosure	0	0
National Credit Union Share Insurance Fund (NCUSIF)Capitalization Deposit	767,434	786,484
Other Assets	1,409,382	1,352,292
Total Assets	83,972,197	86,740,338
LIABILITIES		
Notes Payable	0	0
Dividends Payable on Shares	10,354	1,680
Accounts Payable, Escrows and Other Liabilities	826,229	1,190,131
Total Liabilities	836,763	1,191,811
SHARES AND MEMBERS' EQUITY		
Share and Club Accounts	33,568,577	38,605,030
Savings Plus and IRA Shares	8,725,289	10,203,491
Certificates	15,647,180	10,612,126
Sharedrafts	17,760,949	18,814,828
Total Shares	75,701,995	78,235,475
Regular Reserve	538,355	538,355
Undivided Earnings	6,895,085	6,774,697
Total Equity	7,433,439	7,313,052
Total Liabilities and Members' Equity	83,972,197	86,740,338

STATEMENT OF CONDITION

For The Years Ended December 31, 2023 – 2022

OPERATING INCOME	2023	2022
Residential Mortgage Loans	1,272,214	1,208,695
Member Business Loans	13,344	12,045
Consumer Loans	429,500	343,669
Investments	808,747	437,332
Fee Income	597,101	606,455
Other Operating Income	44,862	40,351
Total Operating Income	3,165,768	2,648,547
INTEREST EXPENSE		
Dividends on Shares	333,010	118,649
Other Borrowed Money	0	0
Total Interest Expense	333,010	118,649
Net Interest Income	2,832,759	2,529,898
Provision for Loan Losses	12,440	25,000
Net Interest Income After Provision		
For Loan Losses	2,820,318	2,504,898
OPERATING EXPENSES		
Compensation and Benefits	1,522,437	1,297,899
Office Occupancy and Operations	778,253	702,772
Other General and Administrative	246,922	219,641
Examination and Supervision	12,918	14,190
Total Operating Expense	2,582,547	2,234,502
Non-Operating Income (Expense)	25,091.76	272,191.03
Gain (Loss) on Sale of Repossessed Assets	0	0
Net Income	262,864	542,587

REPORT OF THE CREDIT COMMITTEE

The Credit Committee of Riverbank 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 2023, the Credit Committee and Loan Officers reviewed 483 loan requests, originated 273 new loans and successfully funded over \$7 million, including 225 consumer loans and 48 residential loans. The loan approval is based on the member's credit worthiness, capacity to repay the loan and collateral, if applicable.

Our partnership with Alliant Mortgage Group continues to generate earned income for the Credit Union. In 2023 we earned \$5,783.25. 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 2023, we offered variety of loan special rates throughout the year, such as: free appraisals on mortgages, an auto loan special in February, toy loan special in May, member loyalty discount loan in July, debt consolidation special in August, personal loan special in November and holiday loan special 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 .35%.

The Credit Union continues to offer Financial Wellness Program 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.

Riverbank 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
VP of Lending

SUPPORTING OUR COMMUNITY IN 2023

W.L. Lion's Club

RFCU was a sponsor at the Lion's Club 27th Annual Bradley Road Race.

W.L. Little League

Sponsored one of the towns' Little League teams.

Springfest

Staff volunteers attended this community event at Veterans Memorial Park in the spring giving out RFCU swag items.

W.L. Dollars for Scholars

Selamawit Pelley was the 2023 recipient of the RFCU annual scholarship.

W.L. Project Graduation

Made donation to support the substance and alcohol free party for the 2023 graduating seniors.

W.L. Fire Department

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

Golf Tournament Sponsor

RFCU sponsored community golf tournaments in 2023 that included Bradley Regional Chamber and the W.L. Athletic Hall of Fame.

W.L. Youth Services

RFCU personnel provided financial literacy training and assisted with mock interviews to camp counselors in the Summer Program.

Stuff the Bus

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

Shred Day

A free paperwork shredding day at RFCU and collected non-perishable food donations for the Windsor Locks Food Bank.

W.L. Youth Services "Trunk or Treat"

Staff participated with other local businesses and organizations in town giving out treats to children for Halloween.

North Street School

RFCU donated the Thanksgiving book "Pete the Cat" to all the kindergarten students to take home. Staff volunteers read the book to each classroom as well.

Project Elf

RFCU collected toys and nonperishable items for Windsor Locks Social Services holiday gift giving program.



NAME CHANGE FAQ'S

When did the name change occur?

Our new name became official on April 3, 2023.

Why did WLFCU change its name?

We were not merged or acquired by another financial institution. Everyone who lives, works, worships or goes to school in Hartford County is eligible to be a member. We chose a new name to better reflect this open membership opportunity. Riverbank FCU is a name that the credit union's volunteer Board and management feel will support our future growth of membership.

What is the name history of our credit union?

Our cooperative was established in 1940 as St. Mary's Windsor Locks Parish Federal Credit Union. It was created to serve the parishioners of St. Mary's Church. In 1979 the credit union charter was changed to allow more people in Hartford County to join and the name was changed to Windsor Locks Federal Credit Union.

How did we arrive at this name?

Our staff and Board of Directors worked together to come up with name options. We considered many alternatives and Riverbank rose to the top of the list. We feel everyone in our area is connected by the Connecticut River and it plays a big part in the communities we serve. The logo reflects both the river and our Windsor Locks heritage. The green upper section of the logo is meant to evoke memories of Pine Meadow, the original name of the town. It can also be viewed as upward arrows, signifying our growth into the future.

RIVERBANK FEDERAL CREDIT UNION STAFF

Marquita Abrams

Accounting Assistant

Shaquanna Applewhite

Member Services Supervisor

Nicole Bensley

Member Services Representative
1 Year of Service

Caroline Breneman

Business Development & Marketing Specialist

Duarte Cabral

VP of IT
7 Years of Service

Zenaida Garcia

Loan Officer
3 Years of Service

Lisa Hadden

Member Services Representative

Holly Hanson

Lending Supervisor/Mortgage Officer
9 Years of Service

Pat Javorski

Chief Operating Officer
16 Years of Service

Debbie Marconi

VP of HR & Marketing
21 Years of Service

Raeann Mclean

P/T Member Services Representative

Linda Moorhouse

Loan Solution Specialist
9 Years of Service

Alison Nolan

Universal Solution Specialist
6 Years of Service

Melanie Robinson

Compliance/BSA Specialist
8 Years of Service

Dede Rodrigues

VP of Lending
4 Years of Service

Tara Schiralli

P/T Member Services Representative
2 Years of Service

Angela Siana

Loan Officer

Matthew Soovajian

IT Assistant
2 Years of Service

Charla Stetson

President/CEO
12 Years of Service

Joseph Testoni

Member Services Supervisor
2 Years of Service

Alysha Wanczyk

Member Services Manager
2 Years of Service

PRESIDENT'S MESSAGE

The name change and rebranding from Windsor Locks Federal Credit Union to Riverbank Federal Credit Union has been very successful. I would like to thank all members for your support and positive feedback. I am so proud of the Riverbank staff for all of their hard work, making it a smooth transition for everyone.

Our vision at Riverbank is to expand our products and services to meet the needs of existing and future members while staying true to our core values and principles. Expanding our products and services allows us to serve you better, and to stay relevant and competitive in the ever-evolving banking industry. Staying true to our core values and principles allows us to remain the same credit union you loved as Windsor Locks FCU, and as Saint Mary's Parish FCU before that. Our new, more inclusive name has helped us to welcome more members from different towns across Hartford County.

Credit Unions exist only to benefit their members and community. The Credit Union model is much different than that of commercial banks. It is an honor to be part of this movement, doing good and saving our members money. I would appreciate your help in telling your friends and family why you belong to a credit union, and why they should too!

In gratitude,

Charla Stetson
Riverbank FCU President/ CEO







Riverbank

FEDERAL CREDIT UNION

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

riverbankfcu.com