



MUTUAL SECURITY
CREDIT UNION
Elevating Our Community

ANNUAL REPORT 2022

COMMITTED TO THE COMMUNITY • COMMITTED TO YOU



MESSAGE FROM THE MSCU CEO

Dear Valued Members:

I'm grateful for the opportunity to share what your financial cooperative has been doing this past year and what a year it has been! In the enclosed Annual Report, you will see exactly what being a part of the MSCU family has meant to the community. I'd like to highlight a few of our milestones here:

- Firstly, I am so proud of our staff who volunteered over 1300 hours for the greater good of our communities! They have truly embodied the Credit Union motto of "People Helping People!"
- Your hard-earned deposits allowed us to satisfy other members' loan needs in record numbers. We nearly doubled our lending output from 2021, helping members reach their financial dreams.
- I'm proud to share in 2022, more of our staff enrolled in the certification process to become Certified Financial Counselors. We now have over 25% of our staff certified to help you elevate your financial well-being.
- We are extremely proud to be recognized both on the state and national level for our outreach to those considered financially underserved, and we added more bicultural and multicultural staff to our team to help service all our members' needs.

I would like to take this opportunity to publicly thank our amazing, dedicated staff who embody the meaning of "Financial First Responders." We are People Helping People, one member at a time.

Thank you for entrusting us with your financial treasures. I look forward to seeing you at our annual meeting in May.

Sincerely,

Hank Baum
Chief Executive Officer

SINCE 1954, WE'VE TAKEN GREAT PRIDE IN
HELPING OUR MEMBERS
ALONG EVERY STEP OF THEIR JOURNEY



The benefits of a MSCU membership extend far beyond convenient banking solutions, competitive rates, and sound financial advice from knowledgeable professionals.

When you bank with MSCU you're part of a movement to influence positive change. You can take pride in knowing your money is being invested in your community to create meaningful impact through greater prosperity for you and your neighbors.



MESSAGE FROM THE MSCU CHAIRMAN

Dear Fellow Members:

It is my honor to present the 2022 Chairman's Report for Mutual Security Credit Union. In doing so, I represent an incredible team of volunteers and credit union staff members who have worked diligently to serve you and our fellow members over this past year.

As a financial cooperative, this year's annual report will not only provide you with insight into our financial strength and successes, it will also speak to our core philosophy of People Helping People.

It is my hope that this year's report will impart in you a sense of pride in the work your credit union does for you, the community you live in and all of our members as we live up to our motto of "Not for profit, Not for Charity but for Service."

Each step we take, each policy we consider and every budget, balance sheet and program we review is with an eye towards safeguarding the funds you entrust to us and the products we design for you. It is because of you that we exist and our focus on helping you achieve your financial successes is what makes us thrive.

Finally, I would like to extend the credit union's heart-felt congratulations to our long-term volunteer and board member, Mr. Robert (Bob) Basta who was recently recognized by the Credit Union League of Connecticut. Because of his 32 years of volunteering on behalf of the credit union, 29 of those years as a board member and for the past 13 years as Chairperson of our Supervisory Committee, Bob received the Connecticut Volunteer of the Year award. Bob's unwavering devotion to our philosophy and our mission has been instrumental in helping form who we are today. He is a true advocate for the credit union movement and for MSCU and we are incredibly grateful for all he has done and continues to do. Congratulations Bob, WELL DESERVED!

Sincerely,

Bruce M. Likly
Chairman of the Board

CREDIT COMMITTEE REPORT

In 2022, the MSCU lending team closed **3,969** loans that totaled **\$131.4 million** in new loan originations



HOME LOANS | \$45 MILLION

Through \$44.9 million in mortgages and homes equity loans or lines of credit, we assisted 253 members in unlocking the door to a new home or making their dream project into a reality.



VEHICLE LOANS | \$79.1 MILLION

With over \$79.1 million in new and used car loans in 2022, we helped our members with their transportation needs and put 2,761 cars on the road.



GREEN & CONSUMER LOANS | \$7.1 MILLION

916 members took advantage of Green and Consumer loans.

We helped members to increase their energy efficiency and lower their carbon footprint by enabling them to tackle their home energy improvement project through a Smart-E loan.

Whether they used the Consumer Loan for debt consolidation, home repairs, education or a vacation; members took advantage of a MSCU personal loan or VISA credit card to cover their planned – and unexpected – expenses.



THE SUPERVISORY COMMITTEE REPORT

Dear Members:

Mutual Security Credit Union continues to perform well and to operate in a safe and sound manner.

The Board of Directors appoints volunteers from the membership to serve on the Supervisory Committee. The Supervisory Committee performs internal audit functions and carries out its work in an independent manner, subject to the Credit Union Bylaws. Our audit plan emphasizes testing internal controls and assuring compliance with applicable laws, rules, and generally accepted accounting principles (GAAP).

For the year 2022, the Committee selected Doeren Mayhew CPAs and Advisors to perform an audit of MSCU's financial statements, account records, policies, and procedures. The Financial Report expressed the opinion that the Credit Union's financial statements were fairly presented in all material respects.

In addition, several internal audits were performed by the firm of Shatswell MacLeod & Company to review internal processes and controls.

It is the opinion of your Supervisory Committee that the Credit Union's policies and procedures, as well as Management is operating in an efficient and financially sound manner.

Robert Basta
Supervisory Committee Chairman

MSCU IS PROUD TO SUPPORT THE COMMUNITIES WE SERVE!



Mutual Security Credit Union is committed to elevating and improving the community where our members live, work and play.

From green initiatives to charitable giving to financial education programs, MSCU prides itself on being an active and responsible member of Western Connecticut.



2022 COMMUNITY INITIATIVES

COMMUNITY GIVING

From our Annual Food Drive to benefit St. Vincent DePaul and Turkey Drive Partnership with the Apostolic Worship Center; to our local sponsorships with high school athletic teams, Chamber of Commerce, and holiday toy drives and donations – we remain committed to elevating our community.

EMPLOYEE GIVING

MSCU staff collectively raised \$8,000 to benefit non-profits closely aligned with our core values including Homes for the Brave, Carver Foundation, Prosperity Foundation, Fairfield County Community Foundation, Open Door Shelter, Spooner House, St. Vincent DePaul, Apostolic Worship Center, Hispanic Coalition of Greater Waterbury, STAR, Inc., Marvin Elementary School, Stratford Pop Warner Football & Cheer, Lighting the Way, The Center for Empowerment and Education, and Credit Union League Action Committee (CULAC) through our Jeans for a Cause initiative, as well as donating hundreds of non-perishable goods and holiday gifts to those in need.

SCHOLARSHIPS

Over \$6,000 in scholarships were awarded to member college-bound students in recognition of their contributions to the community and academic achievements.

VOLUNTEERISM

Together, MSCU employees spent over 1,300 hours volunteering in the community at various non-profits including: Bridgeport Rescue Mission, Filling in the Blanks, Habitat for Humanity, St. Joseph's Family Center, Person-2-Person, St. Vincent DePaul, The Center for Family Justice and Valley United Way.

RECOGNITION

MSCU was awarded the First Place 2022 Louise Herring Philosophy in Action Award by the Credit Union National Association (CUNA). This national award recognizes credit unions across the country for incorporating the credit union philosophy into their day-to-day operations. MSCU was awarded for our ITIN Lending Program which has served nearly 1,000 members in financing since 2015.

BOARD OF DIRECTORS

Bruce Likly | *Chairman*

Robert Marages | *Vice Chairman,
Employee Relations Committee*

Kenneth Decker | *Treasurer*

Robert Basta | *Chairman, Supervisory Committee*

Robert Lubus | *Secretary,
Employee Relations Committee*

Ann Budzynski | *Board Member*

Edward Rodriguez | *Board Member*

EXECUTIVE COMMITTEE MEMBERS

Bruce Likly | *Chairman*

Robert Marages | *Vice Chairman*

Kenneth Decker | *Treasurer*

CREDIT COMMITTEE MEMBERS

Henry Baum | *Chairman*

Stephen Osowiecki | *Credit Committee Member*

Jeff Tracey | *Credit Committee Member*

Mike Augusti | *Credit Committee Member*

SUPERVISORY COMMITTEE MEMBERS

Robert Basta | *Supervisory Committee Chairman*

Larry Holderman | *Supervisory
Committee Member*

Mark Marages | *Supervisory Committee Member*





2023 MARKS MSCU'S 69TH YEAR OF SERVICE!



2022 FINANCIALS

BALANCE SHEET

	December 2021	December 2022
Assets		
Cash and Investments	\$67,343,443	\$40,789,486
Net Loans	\$270,288,039	\$332,381,761
Other Assets	\$16,631,078	\$17,682,903
Total Assets	\$354,262,560	\$390,854,150
Liabilities and Equities		
Non-Maturing Shares	\$258,387,260	\$249,174,534
Certificate Shares	\$51,280,750	\$74,429,679
Other Liabilities	\$17,538,889	\$40,334,997
Total Shares and Liabilities	\$327,206,899	\$363,939,210
Equity	\$27,055,661	\$26,914,940
Total Shares, Liabilities and Equity	\$354,262,560	\$390,854,150

INCOME STATEMENT

Interest Income	\$10,625,039	\$11,843,907
Interest Expense	\$898,188	\$1,445,177
Other Non-Interest Income	\$4,014,369	\$4,315,772
Operating Income	\$13,741,220	\$14,714,502
Operating Expenses	\$11,075,500	\$12,082,405
Provision for Loan Losses	\$458,330	\$(10,985)
Gain/Loss - Sale of Assets	\$(29,133)	\$247,051
Net Income	\$2,236,523	\$2,396,031



*We are builders of financial well-being within
the communities we serve.*

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