



No Box Unchecked

2023 ANNUAL REPORT

PRESIDENT'S REPORT

Throughout 2023, we left no box unchecked as we leaned into bringing the concept of the credit union difference to life and exemplifying our undeniable difference.

You'll see in the following pages some of the many ways we do things differently. For example, we sought ways to help our members see that no goal is unattainable, and the numbers show they believe it. Home equity loans were up 52% over 2022 for an all-time-high loan volume, and we ranked third in Pioneer Valley mortgage market share for local institutions, up from fifth in 2022, helping more people achieve the dream of home ownership.

In 2023, we set the stage for two exciting new initiatives that will launch in 2024. The first is our new Interactive Teller Machine (ITM), which will be located at our Main Street branch in Springfield. It combines the convenience of an ATM with the personalized service of a teller using a video chat feature.

We'll also be launching new Freedom Credit Union VISA credit cards for individuals and businesses. They'll offer the fantastic benefits (such as roadside assistance, purchase security, NortonLifeLock™ and much more) and rewards our members want, with lower interest rates.

We never forget that minding your money is a big job, and strive to ensure we leave no penny unprotected. Our experts remain ever vigilant in their mission to prevent fraud losses.

We have a variety of internal processes in place, send our staff for ongoing training and coaching, and work with local law enforcement to crack down on thieves.

In 2023, we doubled down on helping our members and the community, particularly the vulnerable senior population, protect themselves from scams. This included holding 11 free educational sessions at senior centers throughout the region, as well for Health New England employees in Springfield and at the Senior Health and Safety Expo in Greenfield.

Of course, we continued to show unconditional support to a diverse range of community nonprofits throughout the counties we serve. This included, among many others, The Gray House, Griffin's Friends, the Foundation for TJO Animals, the Franklin County Regional Dog Shelter, Pioneer Valley Habitat for Humanity and Safe Passage.

To us, minding your money is just the beginning. As your credit union, we embody a cooperative spirit with products, programs and perks that benefit you. Thank you for your continued trust.



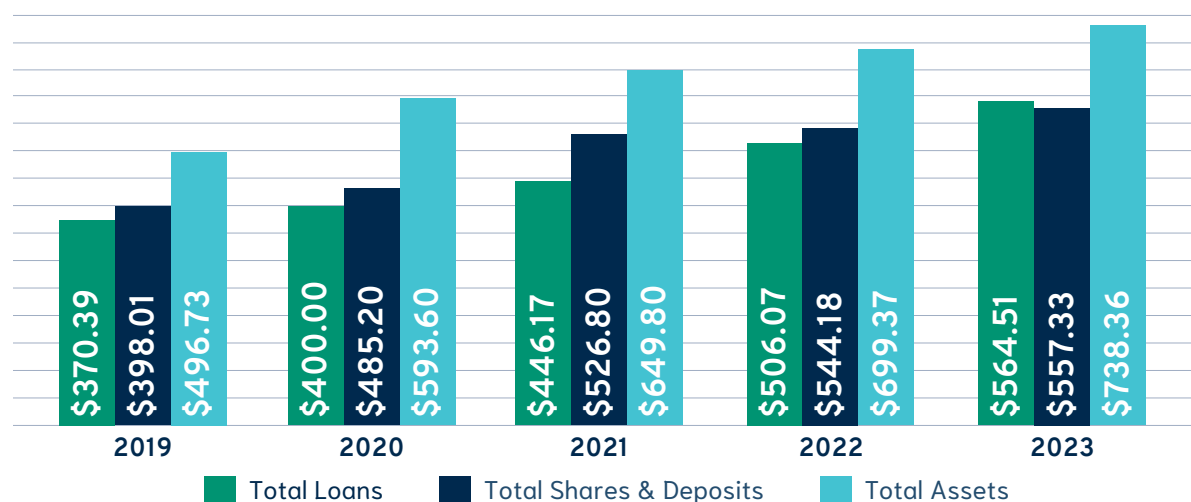
Glenn S. Welch
GLENN S. WELCH
President and CEO



Louis G. Guillette
LOUIS G. GUILLETTE
Chairman, Board of Directors

HIGHLIGHTS FROM 2023

FREEDOM'S FINANCIAL PERFORMANCE In Millions



LENDING

- Personal loans up 37% over 2022
- Home equity loans up 52% over 2022; all-time-high loan volume of \$40.8 million
- Loan delinquency below 1.00%
- Freedom ranked #3 in Pioneer Valley mortgage market share for local institutions
- 24/7 loan closings available for unsecured loan borrowers



The Freedom Credit Union leadership team participated in the 2023 EANE Leadership Summit. The sessions, built around the theme of Navigating the New Workforce, gave them tremendous insights. The keynote speakers, Mohammad Anwar and Frank Danna, authors of *Love as a Business Strategy*, especially inspired them.



Freedom Credit Union was among 12 businesses honored in the revenue category by the Springfield Regional Chamber during its annual Super 60 award program.

CONSOLIDATED STATEMENTS OF FINANCIAL CONDITION

As of December 31, 2023 and 2022

ASSETS	2023	2022
	(In Thousands)	
Cash and cash equivalents	\$ 5,171	3,670
Investments	48,329	51,791
Mortgage-backed securities	80,341	89,971
Loans receivable (net)	564,513	502,970
Capital assets (net)	5,264	5,464
Accrued interest receivable	3,740	2,939
NCUSIF deposit	5,030	4,939
Other assets	<u>25,972</u>	<u>37,623</u>
Total assets	\$ 738,360	699,367
LIABILITIES AND NET WORTH		
Members' shares and savings accounts	\$ 557,327	544,184
Borrowed funds	89,550	68,041
Other liabilities	<u>4,993</u>	<u>6,326</u>
Total liabilities	\$ 651,870	618,551
Net worth	86,490	80,816
Total liabilities and net worth	738,360	699,367

CONSOLIDATED STATEMENTS OF INCOME

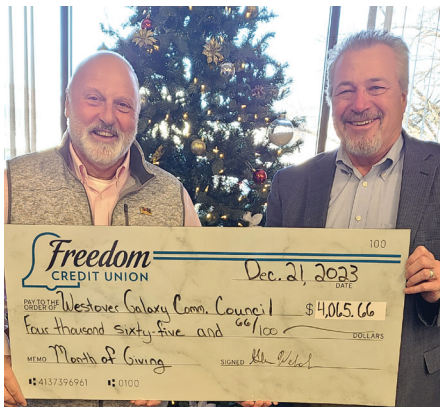
Interest income:		
Interest on loans	\$ 22,558	17,683
Interest on investments	<u>4,693</u>	<u>2,799</u>
Total interest income	\$ 27,251	20,482
Interest expense:		
Dividends on shares and savings accounts	\$ 5,023	1,333
Interest on borrowed funds	<u>3,133</u>	<u>769</u>
Total interest expense	\$ 8,156	2,102
Net interest income	\$ 19,095	18,380
Provision for loan losses	<u>420</u>	<u>420</u>
Net interest income, after provision for loan losses	\$ 18,675	17,960
Non-interest income:		
Member service fees	\$ 5,488	5,451
Net gain on sale of investment securities	726	738
Mortgage banking income	305	295
Increase in cash surrender value of life insurance	476	601
Other non-interest income	<u>0</u>	<u>249</u>
Total non-interest income	\$ 6,995	7,334
Operating expenses:		
Compensation and benefits	\$ 10,503	9,547
Office occupancy and operations	601	684
Computer costs	2,822	2,674
Insurance	123	129
Other	<u>7,932</u>	<u>7,814</u>
Total operating expenses	\$ 21,982	20,847
Operating income	3,688	4,447
Non-operating expenses:		
Gain on fixed assets	\$ 2	3
Unrecognized gain (loss) on equity portfolio	<u>305</u>	<u>(981)</u>
Net income	\$ 3,995	3,469

COMMUNITY SUPPORT

Throughout 2023, Freedom Credit Union contributed financial support to well over 70 charitable organizations throughout the four counties of western Massachusetts, donating a total of \$181,898.

This included:

- Corporate charitable giving totaling \$130,432.00, which benefitted local and regional organizations such as the Children's Advocacy Centers in Hampshire and Franklin counties, the Hispanic American Library in Springfield and West Springfield Boys and Girls Club.
- Our "Month of Giving" campaigns, which raised \$17,316 to support local organizations including The Food Bank of Western Massachusetts, the Massachusetts Coalition for the Homeless and Unify Against Bullying.
- Local branch and department giving, which contributed an additional \$34,150 to local charities.



(Top left-right): Food donation for The Gray House; Toys for Tots donation; Walk to End Alzheimer's; Pink Day benefitting Baystate Health Foundation; fraud prevention seminars at local senior centers, including Southwick Village; donation to the Westover Galaxy Community Council

AWARD-WINNING EMPLOYEES

At our Annual Holiday Dinner in 2023, President and CEO Glenn Welch bestowed the distinguished President's Award to Rae Brown, our Northampton branch officer. The President's Award honors an employee who is committed to professional excellence, takes pride in the credit union and themselves, is a strong team player and communicator, motivates others and represents the credit union with an overall sense of integrity.

Rae serves her employees and members with a high level of professionalism and dedication. She has become a trusted resource to her peers and employees regarding business account activity, and does not hesitate to support other branches when staffing challenges arise, working with other managers to fill any gaps. Rae has

developed an amazing and dedicated team of cross-trained professionals who remain flexible to address scheduling needs in Northampton and across all our branches.



Glenn Welch with President's Award winner, Rae Brown.

2023 GEM Recipients

In 2017, Freedom Credit Union implemented the GEM (Going the Extra Mile) Recognition Program. The following employees received Certificates of GEM Acknowledgment for their out-of-the-ordinary acts of kindness, bright ideas and/or great suggestions. Congratulations to all—and let's keep identifying those GEMs among us!



Rae Brown
Northampton
Branch Manager



Kelly Bruce
Head Teller in
Chicopee



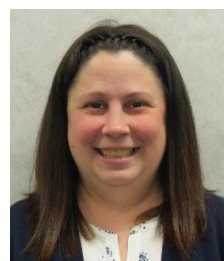
Lori Casineau
Loan Processing
Manager



Cynthia Champiney
Feeding Hills Assistant
Branch Officer



Michelle Charette
Feeding Hills
Universal Agent



Kristyn Lamoutte
Member Contact Center
Representative

BOARD OF DIRECTORS

Louis G. Guillette, Chairman

William T. Carey, Vice Chairman

Brian D. Harrington, Treasurer

John R. Reigner, Security Officer
Past Chairman, 2009–2012

Lawrence Bouley, Director
Past Chairman, 2015–2018

Donald C. Emerson, Director
Past Chairman, 2018–2021

William Flaherty, Director
*Board of Directors, Vice President,
West Springfield Federal Credit Union,
2011–2019*

William G. O'Brien, Director
Past Chairman, 2006–2009

F. Rory Santaniello, Director

Donald R. Senecal, Director

Daniel Reigner, Director

SENIOR MANAGEMENT

Glenn S. Welch
President & Chief Executive Officer

Lee Craig
Senior Vice President & Chief Financial Officer

Gina Noblit Giannetti
Vice President, Human Resources

Kara B. Herman
Vice President, Retail Administration

Cheryl L. Podgorski
Vice President, Operations

Jeffrey M. Smith
Chief Lending Officer and Vice President

David Chase
Vice President, Member Business Lending

BRANCH OFFICERS

Eric Garcia
Main Office

Michelle Caron
Feeding Hills

Angela Gotay-Cheverez
Chicopee

Carla DiLoreto
Ludlow

Jamie Convery
Sixteen Acres

Debra Mainolfi
West Springfield

Rae Brown
Northampton

Kriste Joy
Greenfield and Turners Falls

**Want to see the credit union
difference in action?**

Scan to watch our new commercial



Branch Locations

Hampden County

Chicopee
1976 Memorial Drive
(413) 532-5085

Ludlow
645 Center Street
(413) 505-5800

Springfield, Downtown
1976 Main Street
(413) 739-6961

Springfield, 16 Acres
296 Cooley Street
(413) 505-5700

Feeding Hills
959 Springfield Street
(413) 786-6200

West Springfield
58 Union Street
(413) 733-6108

Hampshire County

Northampton
226 King Street
(413) 586-3590

Franklin County

Greenfield
74 Main Street
(413) 774-4182

Turners Falls
191 Avenue A
(413) 774-9909

Connecticut

Enfield Loan Production Office
115 Elm Street, Unit 214
(860) 698-3607

MEMBER CONTACT CENTER

(413) 739-6961
(800) 821-0160

Hours*

Monday, Tuesday, Wednesday
8:00 AM–4:30 PM

Thursday, Friday
8:00 AM–5:00 PM

Saturday
9:00 AM–12:00 PM

**After-hours support is available.*



freedom.coop



Freedom Credit Union is federally insured by NCUA. Shares and deposits in excess of NCUA limits are fully insured by MSIC.
Equal Housing Lender. NMLS #478769.