



20annual 22report



Federally Insured by NCUA



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OUR STORY

HISTORY

Naveo Credit Union was founded in 1928 when twenty-seven Portuguese-Americans banded together to form a financial cooperative after finding it increasingly difficult to access deposit and loan products from banks in the community.

Naveo Credit Union, formerly Cambridge Portuguese Credit Union, was incorporated on March 2, 1928 as a place where the community could deposit their savings with confidence and borrow money at low rates of interest. In 2014, the Credit Union changed its name to Naveo Credit Union to complement the changing demographics of the area by becoming an inclusive institution, one that is welcoming to everyone in the community.

ABOUT US

Naveo is a local not-for-profit community financial institution focused on serving its members/owners. Our mission is to assist our members with their financial needs by providing them with products and services they need in a friendly, inviting environment. As stated in our motto of “Saving Together to Lend to Each Other,” we take member deposits and in-turn, lend to our neighbors and local organizations.

As a local financial institution, we are proud to take an active role in our community by reinvesting in the community with local loans and contributions to local organizations. We are aware that individuals in our community value an institution beyond just low fees and great rates, which is why we pride ourselves on the partnerships we make with local organizations that bring value to our neighbors and members.

MISSION STATEMENT

Guiding the financial lives of the people we serve – in the neighborhoods where we live.

MESSAGE FROM OUR CHAIRPERSON & CEO

Dear Naveo Members,

At Naveo Credit Union, our why is simple – to guide the financial lives of the people we serve – in the neighborhoods where we live. Through that commitment to you, we continue to expand and enhance our financial offerings to better serve your needs.

In 2022, we focused on improving member experiences through enhanced products, services, and operational efficiencies. We conducted several member surveys to better understand your financial needs. Through that feedback, we understood that we needed to be more available and responsive to your incoming calls. We launched our Call Center and staffed the phone lines with dedicated employees. Our goal is to satisfactorily handle your inquiries and requests with one call.

Our product enhancements included digital wallets through Apple Pay and Samsung Pay, an easier, safer, more secure payment method. Remote Deposit Capture was launched for our business members to conveniently deposit checks without traveling to a branch. To support green energy initiatives, our solar loans and heat loans offered attractive rates and terms and were popular among our members.

Cybersecurity continues to be a critical responsibility. Through system enhancements, employee training and ongoing internal control improvements, we pledge to protect your personal data and account information by prioritizing our commitment to data security.

The recent turmoil in the banking sector solidifies our commitment to protecting your assets. Through the National Credit Union Association insurance fund which insures deposits up to \$250,000 per member and the Massachusetts Share Insurance Corporation which insures deposits in excess of \$250,000, you can be confident that your deposits are fully insured.


We proudly donated more than \$50,000 to local community organizations and our employees donated more than \$1,500 through our fundraising efforts. We continue to support our community partners consisting of more than 30 local organizations. Local students were the recipients of \$8,500 in college scholarships.

Our plans include continued enhancements to our digital offerings while maintaining the personal touch our members have come to rely upon. At Naveo Credit Union, ensuring our members are not just a number, is a top priority. We strive to seek ways to say “Yes” by understanding each members’ unique circumstances.

We continue to support you through the credit union mission of “People Helping People” and to offer the products and services you need to fulfill your financial goals.

Although 2022 was a challenging economic year, Naveo Credit Union remains well-capitalized and is positioned to continue to serve our member needs in the years ahead.

Warmest Regards,


Leontina Mancini
Chairperson of the Board


Andrea White
President/CEO



FINANCIAL PERFORMANCE

COMPARATIVE BALANCE SHEET (Unaudited)

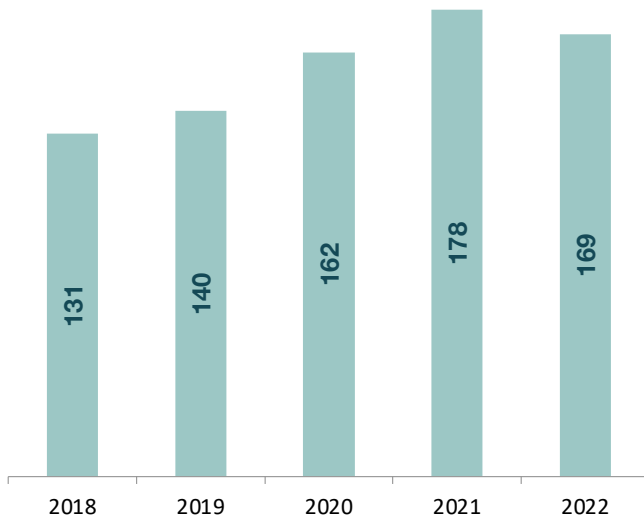
Assets	2022	2021
Cash & Cash Equivalents	\$ 11,136,235	\$ 14,005,693
Investments	\$ 61,707,431	\$ 77,878,078
Loans to Members	\$ 92,523,103	\$ 82,531,005
Allowance for Loan Losses	\$ (655,565)	\$ (576,353)
Land, Building & Other Fixed Assets	\$ 1,644,502	\$ 1,688,005
NCUA Share Insurance	\$ 1,523,431	\$ 1,456,657
Other Assets	\$ 1,069,358	\$ 1,267,906
Total Assets	\$168,948,495	\$178,250,991
Liabilities		
Accounts Payable & Other Liabilities	\$ 708,963	\$ 557,579
Share Draft Accounts	\$ 37,777,454	\$ 39,971,550
Regular Share Accounts	\$ 93,401,568	\$ 94,660,524
All Other Share & Deposit Accounts	\$ 31,242,067	\$ 30,249,445
Total Liabilities	\$163,130,052	\$165,439,098
Equity		
Regular Reserves	\$ 1,972,373	\$ 1,972,373
Accumulated Unrealized Gains/(Losses)	\$ (8,182,347)	\$ (1,020,765)
Undivided Earnings	\$ 12,028,417	\$ 11,860,285
Total Equity	\$ 5,818,443	\$ 12,811,893
Total Liabilities & Equity	\$168,948,495	\$178,250,991

INCOME STATEMENT (Unaudited)

Income	2022	2021
Investment Income	\$ 1,002,338	\$ 528,812
Interest on Loans	\$ 3,805,363	\$ 4,033,550
Non-Interest Income	\$ 730,557	\$ 879,356
Total Income	\$ 5,538,258	\$ 5,441,718
Interest Expense		
Interest on Shares	\$ 96,503	\$ 91,552
Interest on Certificates of Deposit	\$ 225,060	\$ 235,647
Total Interest Expense	\$ 321,563	\$ 327,199
Non-Interest Expense		
Employee Compensation & Benefits	\$ 2,970,580	\$ 2,882,971
Travel & Conference Expense	\$ 31,000	\$ 27,403
Office Occupancy Expense	\$ 161,626	\$ 187,208
Office Operations Expense	\$ 814,319	\$ 778,021
Educational & Promotional Expense	\$ 109,294	\$ 91,227
Loan Servicing Expense	\$ 60,302	\$ 110,502
Professional and Outside Services	\$ 756,988	\$ 666,247
Operating Fees	\$ 18,850	\$ 18,600
Misc. Operating Expenses	\$ 42,224	\$ 49,825
Total Non-Interest Expense	\$ 4,965,183	\$ 4,812,004
Provision for Loan Losses	\$ 83,380	\$ (144,887)
Net Income	\$ 168,133	\$ 447,402

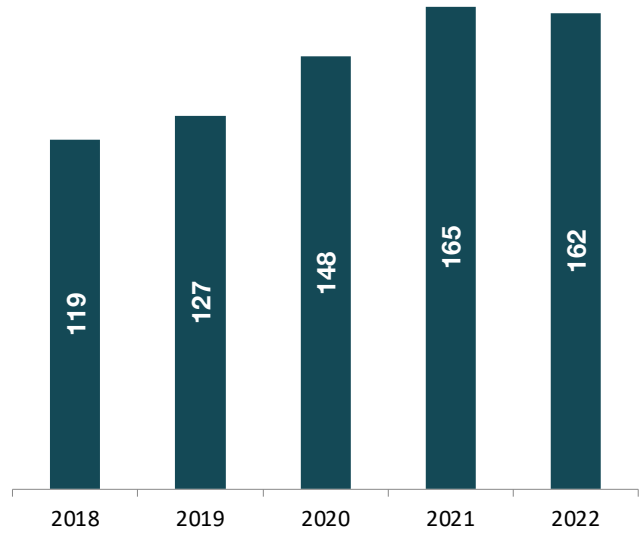
ASSET GROWTH

(\$ Millions)



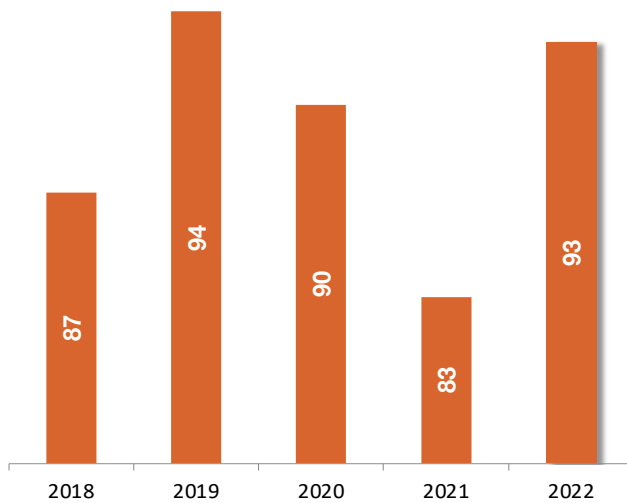
DEPOSIT GROWTH

(\$ Millions)



LOAN GROWTH

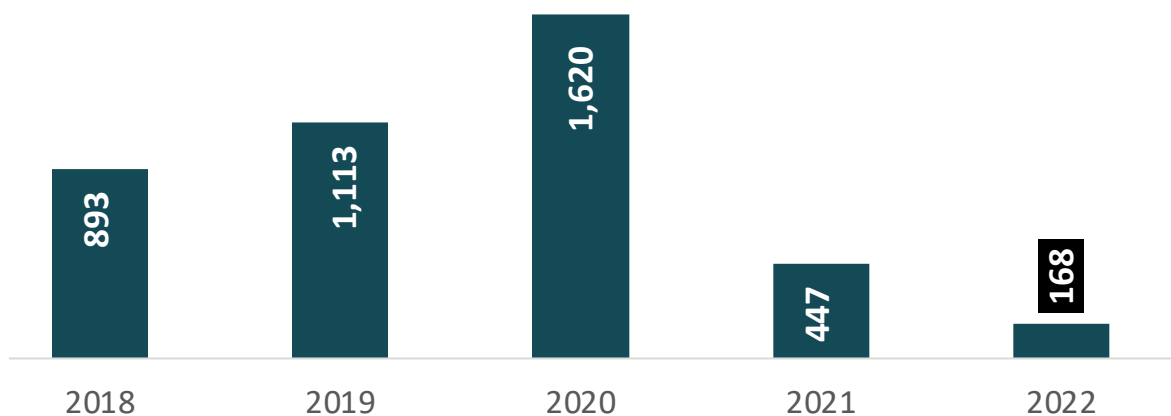
(\$ Millions)



FINANCIAL HIGHLIGHTS

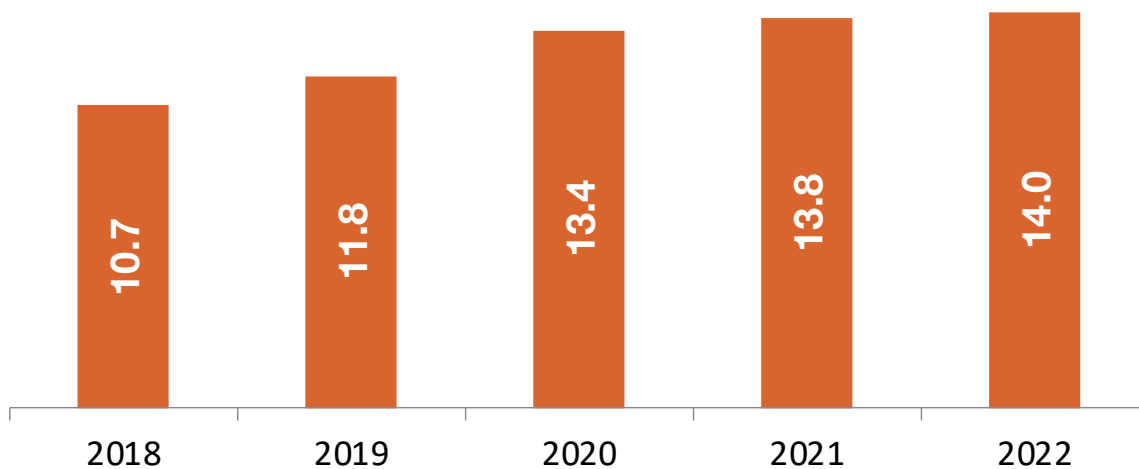
NET INCOME

(\$ Thousands)

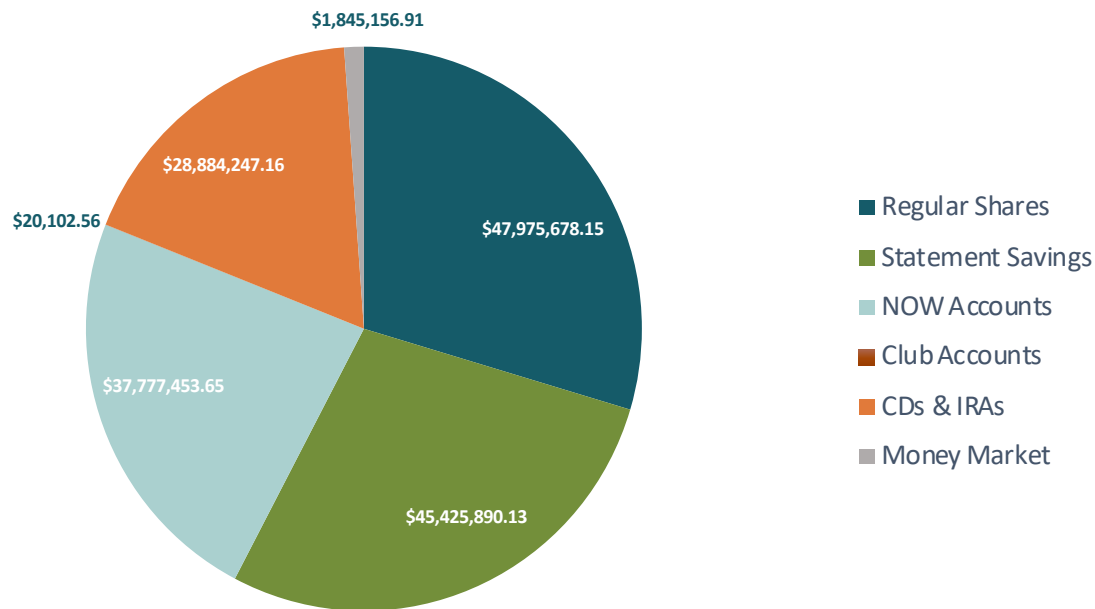


REGULATORY CAPITAL GROWTH

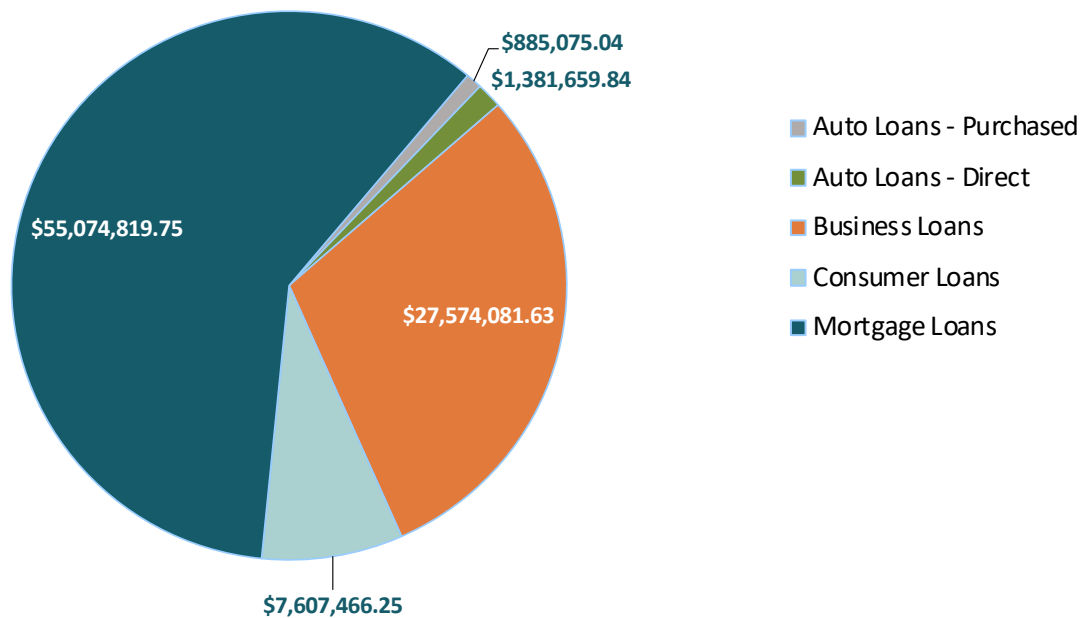
(\$ Millions)



DEPOSIT COMPOSITION



LOAN COMPOSITION



AUDIT REPORT

The Credit Union's financial soundness and quality of management are examined by the Commonwealth of Massachusetts' Division of Banks and the National Credit Union Administration (NCUA).

Naveo Credit Union is a member of the NCUA and the Cooperative Credit Union Association. These organizations support the objectives and concerns of the credit union movement, as well as assist with and promote the viability of individual credit unions.

The audit committee oversees the operations of Naveo as required by law. The Board of Directors are appointed by the Credit Union membership with the responsibility of reviewing the Credit Union's operations. They also monitor the regulatory examination performed by the Division of Banks and NCUA, and oversee an annual certified opinion audit.

Wolf & Company, P. C., certified public accountants, performed the audits for our fiscal years ended June 30, 2022 and 2021. In their opinion, the financial statements present fairly, in all material respects, the financial position of Naveo, the results of operations and related cash flows for the years then ended in conformity with Generally Accepted Accounting Principles of the United States of America.

VOLUNTEER BOARD OF DIRECTORS

Leontina Mancini, *Chairperson*

Isaac M. Machado, *1st Vice Chairman*

Paul Ferreira, *2nd Vice Chairman*

Charles Montemor, *Treasurer*

Lindsay Lucke, *Secretary/Clerk*

Christopher Alphen

Jason Alves

Mario Brum

Sonja Darai

Manuel Da Silva

Jennifer Lawrence

EXECUTIVE TEAM

Andrea White, *President and CEO*
Albert Pinho, *Senior Vice President and Senior Lender*
Kevin George, *Vice President of Finance*
Jamie Levine, *Vice President of Human Resources*
Raquel Sa, *Vice President of Marketing and Retail*
Adam Carpenter, *Senior Director, Technology*
Mike Dwyer, *Director of Operations*



MANAGEMENT

Ana C. Santos, *Assistant Vice President of Lending*
Bienvenida Feliz, *Branch Manager - Cambridge*
Lucia Gonzalez, *Branch Manager - Somerville*
Greyami Fana, *Deposit Operations Manager*



STAFF

Alex Duncan	Margaret Iao
Ana Barrenquy	Margaret Silva
Cheryl Bonvegna	Mylma Lemos
Corália Garcia	Patty Van Dooren
Elizabeth Cabral	Patricia Acquaviva
Eric Lu	Peggy Norton
Hazel Cooper	Roseline Alexandre
Ianna Montilla	Samantha Cicerone
Joao Vitor Ferreira	Susan Jacobucci
Karina Gonzalez	Veronica Corrente



SOCIAL RESPONSIBILITY

Donated Over
\$50,000
to Local Organizations

Raised Over
\$1,500
In-Branch to Benefit
Local Organizations

Supported Over
30
Local Organizations

Awarded
\$8,500
in scholarships
to local students

Hosted 3 “drives” both
in-branch and virtually and
donated over

\$500

We proudly support...

A Bed for Every Child
American Heart Association
Boston Children’s Hospital
Children’s Miracle Network
Community Cooks
East Cambridge Business Association (ECBA)
East Somerville Main Streets
Escola Portuguesa de Cambridge e Somerville, Inc.
Groundworks Somerville
Imperio Mariense
Joe & Dorothy Chaves Foundation
Kiwanis Club of Somerville
Leukemia & Lymphoma Society
Massachusetts Alliance of Portuguese Speakers
MAPS Senior Center
Massachusetts Coalition for the Homeless
On the Rise
Second Chances
Somerville-Cambridge Elder Services
Somerville Chamber of Commerce
Somerville Education Foundation
Somerville Homeless Coalition (SHC)
Somerville Kiwanis Club, Scholarship Fund
Somerville Pop Warner
Somerville Youth Hockey
St. Anthony’s Church, Cambridge
St. Anthony’s Church, Somerville
Toys for Local Children
Toys for Tots
Trevor Project
Union Square Main Streets

YEAR IN REVIEW

Our footprint in the community is deepened further through our partnerships with recognized, empowering and influential organizations within the neighborhoods we serve.



PRODUCTS AND SERVICES

SAVINGS PRODUCTS

Statement Savings
Passbook Savings
Kid's Club
Non-Interest Bearing Savings
Certificates
IRAs
Christmas Clubs

PERSONAL CHECKING

Secure Checking
Eco Checking
Student Checking
Money Market

HOME LOANS

Home Mortgages
Home Equity Loans
Home Equity Lines of Credit
Mortgage Refinancing

CONSUMER LOANS

New & Used Auto Loans
Personal Loans
Student Loans
Mass Save Heat Loan
Home MVP Loan
Bicycle Loan
Dreamer Loan
Construction Loan
MasterCard® & Visa Credit Card

eSERVICES

iBanking
Digital Wallet
Mobile Banking App
Mobile Check Deposit
Online Account Opening
eStatements
Online Loan Center
Text/E-mail Alerts
Financial Calculators
24-7 Telephone Response

BUSINESS SERVICES

Commercial Real Estate Loans
Lines of Credit
Term Loans
Free Business Checking**
Business Savings
Business Money Market
Paycheck Protection Program
MasterCard® & Visa Credit Card

**Check orders are excluded.

ADDITIONAL SERVICES

EMV ATM/Debit Card
24-Hour ATM
Money Orders
Wire Transfers
Notary Public
Official Checks
Direct Deposit
Automatic Payments
Consumer Loan Skip-A-Payment
Telephone Transfers
Foreign Money Exchange
Shared Branching Network Member

Your savings federally insured to at least \$250,000 and backed by the full faith and credit of the United States Government, National Credit Union Administration, a U.S. Government Agency.





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Somerville, MA 02143

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