



# The SMARTER way to bank.



2023 ANNUAL REPORT

---

# President's Message



I am happy to report Coastal1 remains strong, well-capitalized and profitable with assets of more than \$3.3 billion.

Active membership increased by 6.0% to 88,700 households at year-end and assets increased by \$190 million on deposit growth of \$50 million and loan growth of \$184 million. Our loan portfolio continued to perform well and demonstrated high asset quality, with total and 60+ day loan delinquency of 0.55% and 0.15% of total loans respectively, placing Coastal1 among the top performers in our peer group and nationally. Charge-offs, net of recoveries, represented only 0.10% of our total loan portfolio for 2023, and our expectation is that ongoing due diligence and oversight will continue to minimize this key business risk.

We bookended the year with our two newest branches. In January, we opened our first branch in Massachusetts at 99 Chestnut Street in Attleboro. Then, in December we completed construction of our newest branch in Johnston, RI, bringing our total branch network to 19 locations throughout Rhode Island and Southeastern Massachusetts. We also rolled out several new member-facing technology solutions to improve convenience, ease of use, and security such as Card Manager, an email queue to our Contact Center, and a new ATM interface that allowed for the use of contactless cards.

As we transition into 2024, we expect the rate environment to remain elevated. The Federal Reserve may begin easing rates in the back half of the year, but we don't know when or by how much. Thus, we will continue to manage our interest rate risk and our expenses very closely. Through prudent financial management we will keep Coastal1 Credit Union well positioned to weather the current economic environment and any unforeseen challenges in the future. We remain committed to being a strong supporter of the communities we serve.

Finally, we were honored and humbled to be recognized as Best Credit Union in Rhode Island by Forbes, as one of RI's Healthiest Employers by Providence Business News, and Best Mortgage Lender by the Rhode Islanders in the Providence Journal's Community Choice Awards. Awards are nice, but a referral from a satisfied member is the finest compliment we can receive.

For more than 95 years you've relied on us to meet your financial needs with competitive rates and quality products, convenience and access, and caring, professional service. Practices we look forward to continuing for years to come.

Thank you for your continued support and membership.

- Brian Azar, *President & Chief Executive Officer*





**The NEIGHBORLY  
way to**





**bank.**

## **People Helping People.**

As an organization founded by and run for the benefit of its members, we remain steadfast in our commitment to providing you the smarter way to bank through better products, better rates, and the friendly, neighborhood service you've come to expect.

# COMMUNITY GIVING

**\$567k**

to local non-profit and charitable organizations



**\$10k**



to Ronald McDonald House of Charities of New England

**\$10k**



to The Learning Community Charter School

**\$44k**



in annual scholarships

**\$10k**



to local charities in Johnston

**\$25k**

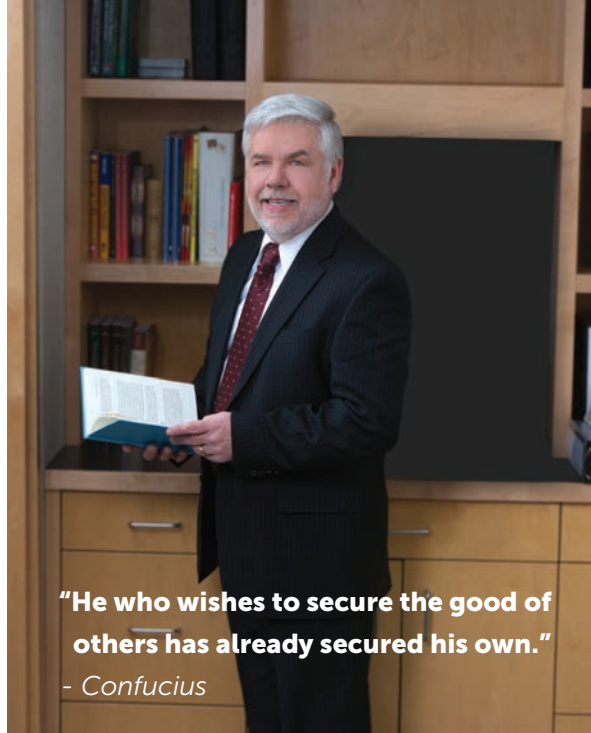


to the food pantries in RI

**\$12k**



to the Pawtucket Central Falls Development Corp



**"He who wishes to secure the good of others has already secured his own."**

*- Confucius*

When we first opened our doors back in 1928, we were founded on the principle of people helping people. It's the right thing to do. We call it the smarter way to bank.

Your belief in our commitment to this philosophy has contributed to the Credit Union's continued growth, with assets now totaling more than \$3.3 billion and membership greater than 139,000 members. It's a philosophy I'm particularly proud to be part of.

As a community-based credit union we look to give back to the towns and cities we serve. Through our employees contribution of time and talent, as well as financial support from the Credit Union, we continue to focus our support efforts on organizations that provide food and shelter for those in need, education and financial literacy, and the positive development of children, youth, and teens.

With so many worthwhile causes, we make every effort to support as many organizations as possible, understanding that donations of any amount are important and always welcome. In 2023, the Credit Union contributed \$567,000 to more than 370 local non-profit and charitable organizations, including \$46,000 in employee and matching contributions to the United Way. Coastal1 employees also contributed nearly 800 volunteer hours to 31 organizations.

Some of the larger donations in support of our four primary giving pillars – food, shelter, education, and youth development, include \$25,000 to the

Pawtucket Soup Kitchen and local food pantries, \$12,000 to Pawtucket Central Falls Development Corp to provide affordable housing, neighborhood revitalization, and homeownership program; \$10,000 to The Learning Community Charter School; \$10,000 to local charities in Johnston, including Operation Stand Down, The Autism Project, Johnston Senior Center, and Tri-County Community Action Program, \$10,000 to Ronald McDonald House Charities helping keep families close during time of medical crisis by supporting the health and wellbeing of hospitalized children; and \$44,000 in scholarships for high school seniors attending college.

Coastal1 also provides consistent support to many other community organizations, large and small. Some of those sponsored include Boys & Girls Clubs, Children's Friend, College Visions, Special Olympics of RI, Adoption RI, Rhode Island Community Food Bank, Meals on Wheels of RI, Hope Alzheimer's Center, Rhode Island Foundation, Progreso Latino, RI Latino Arts, RI Free Clinic, and the Hispanic Chamber of Commerce, several Community Action Programs, The Salvation Army, Hasbro's Children's Hospital, Sophia Academy and the San Miguel School. For the 11th consecutive year, the Credit Union also sponsored and participated in the Back-to-School Celebration RI drive, providing backpacks and school supplies to thousands of children in Pawtucket, Central Falls, and other communities in our marketplace.

In addition to company sponsored donations, employee contributions for "dress down day" privileges provided relief for organizations such as The Groden Network, Best Buddies, Toys for Tots, and Hasbro Children's Miracle Network.

Simply put, we believe that helping the community is "the smarter way to bank." People helping people will continue to be our guiding principle as we continue this journey together.

Thank you for your membership.

*- Ronald W. LeClair, Chairman of the Board*

# BOARD OF DIRECTORS AND MANAGEMENT TEAM

## Board of Directors

---

Ronald W. LeClair  
*Chairman of the Board*

Paul F. Lefebvre  
*Secretary*

Mario P. Carlucci, CPA  
Frank P. Casarella, DMD

Linda C. Moffat  
Lawrence J. Monastesse

Lynn A. M. Weinstein  
*Vice Chair*

John B. Richer, Jr.  
*Treasurer*

John Z. Luo, MD  
Richard H. Leclerc

Kevin Tracey, CPA

## Supervisory Committee

---

Gregory S. Scown, *Chair*

Nicholas DiLello

Priscilla De La Cruz

## Management Team

---

Brian A. Azar  
*President & Chief  
Executive Officer*

Donna M. Gregson  
*Executive Vice President  
of Retail Administration*

Valerie J. Pimenta  
*Executive Vice President  
& Chief Financial Officer*

Kevin J. Farrell  
*Executive Vice President  
& Chief Lending Officer*

## Senior Vice Presidents

---

Carrie L. Abatiello  
Anne P. Bernier

Kathie Corrigan  
Carlos A. DaCunha

Kathleen A. Doherty  
Robert R. Gotti

Jeffrey J. Kolarik  
Patricia L. Webb

## Vice Presidents

---

Michael A. Barry  
Debra L. Boory  
John T. Clarkson  
Frances A. Difiore  
Laura K. Frazer

Richard L. Hall  
Jason Hernandez  
Sara Hiebner  
Daniel Killion  
Rebecca A. Lisi

Alyson A. McCabe  
Darryl J. McCaffrey  
Mark T. McLaughlin  
Jamie L. McLean  
Mark J. Peloquin

Michele A. Pope  
Monica Silva  
Annette Smith  
Heather L. Thurber  
Idela Wilson

## Assistant Vice Presidents

---

Melissa C. Book  
Natalie M. Cabral  
Richard Camara  
Melvin Cardona  
Suzana M. Carey

Matthew D'Agenais  
Amy E. DiGiulio  
Christina D. Garland  
Debra C. Lafferty  
Julie Larivee

Carla S. Martins  
Gregory E. Nowak  
Andrew D. Olejarz  
Kathleen M. Porter  
Emilia Rainey

Jared Rubin  
Michael P. Silva  
Jennifer A. Stanford  
Gina G. Torres



# 2023 FINANCIAL REVIEW

An annual audit by our accounting firm, Wolf & Company, P.C., is overseen by the Supervisory Committee. The audit of the financial results of 2023 is expected to be completed by May 2024. The statements presented here are unaudited.

Gregory G. Scown *Chair, Supervisory Committee*

## Statement of Condition

At December 31, 2023 (Unaudited)

### Assets

Cash and Due from Banks	\$14,766,931
Short-Term Investments and Investment Securities	313,432,067
Residential Real Estate Loans	1,371,174,930
Consumer, Second Mortgages and Equity Lines of Credit	1,322,377,333
Commercial Loans	238,751,331
Total Loans	2,932,303,594
Less: Allowance for Loan Losses	(15,827,505)
Loans, Net	2,916,476,089
Buildings and Equipment, Net	29,235,776
NCUA Deposit Insurance Fund	23,126,902
Accrued Interest and Other Assets	25,687,263
<b>Total Assets</b>	<b>\$3,322,725,028</b>

### Liabilities and Surplus

Shares, Savings and Time Deposits	2,430,386,789
Accrued Expenses and Other Liabilities	574,166,804
Total Liabilities	3,004,553,593
Surplus	318,171,435
<b>Total Liabilities and Surplus</b>	<b>\$3,322,725,028</b>

## Statement of Income

For the twelve months ended December 31, 2023 (Unaudited)

### Interest Income

Interest Income on Loans	\$114,007,298
Income on Investments	9,820,178
<b>Total Interest Income</b>	<b>\$123,827,476</b>

### Interest Expense

Dividend and Interest Expense	49,474,991
Other Interest	17,269,248
<b>Total Interest Expense</b>	<b>\$66,744,239</b>
Net Interest Income	57,083,237
Less: Provision for Loan Losses	(2,859,758)
Net Interest Income after Provision for Loan Losses	54,223,479
Other Income	12,754,401
Income Before Operating Expenses	66,977,880
Operating Expenses	53,407,099
Net Income Before Gains	13,570,781
Gains on Sales of Loans/Investments	133,587
<b>Net Income from Operations</b>	<b>\$13,704,368</b>
Gain on Sale of Property	427,284
<b>Net Income</b>	<b>\$14,131,652</b>

Respectfully Submitted, John B. Richer, Jr., *Treasurer*

# The HELPFUL



# GENEROUS



# SMARTER way to



**KINDER**



**LOCAL**

**bank.**







#### **RHODE ISLAND**

**Pawtucket**, 1200 Central Ave.

**Pawtucket**, 540 Broadway

**Pawtucket**, 571 Smithfield Ave.

**Johnston**, 1463 Atwood Ave.

**Cumberland**, 1855 Mendon Road

**Smithfield**, 379 Putnam Pike

**Providence**, 457 Angell St., Wayland Square

**N. Providence**, 1617 Mineral Spring Ave.

**E. Providence**, 660 Warren Ave.

**E. Providence**, 339 Newport Ave.

**Bristol**, 576 Metacom Ave, Belltower Square

**Cranston**, 40 Sockanosset Cross Road

**Cranston**, 96 Independence Way, off Plainfield Pike

**Warwick**, 405 Warwick Ave.

**Warwick**, 3319 Post Road

**E. Greenwich**, 5661 Post Road

**N. Kingstown**, 221 Tower Hill Road

**Wakefield**, 84 Old Tower Hill Road

#### **MASSACHUSETTS**

**N. Attleboro**, 99 Chestnut Street

---

#### **ATM LOCATIONS**

ATMs are available at all branch locations.

[www.Coastal1.org](http://www.Coastal1.org)

Coastal1 Credit Union is federally insured by the National Credit Union Administration, a U.S. Government Agency.

 Equal Housing Lender

Coastal1 Credit Union is an Affirmative Action / Equal Opportunity Employer.

 Follow us on Facebook



**The smarter way to bank**