

Fraternally Yours®



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First Catholic Slovak Ladies Association

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LITTLE THINGS ...

■ The world has gotten smaller. The things we do and say mean even more than the things we think about. The ripples that our actions make are no longer limited between two people. They may very well impact the world. So little things are big now. Sure, you can still whisper a secret to a friend. You can say, “I love you!” too. But life has a way of reacting to little nudges, small words, and complete silence, in a big way.

■ Say, “Hello!” to someone passing by and you can change the direction of their day. Hold a door for another and you make them feel important, noticed, or even validated. You have no idea what they are going through at that very moment.

■ The spoken word remains in the heart of the listener. The written word has a far greater impact. Sending a card, a note of support, even an email or text is more tangible. It can be held close to the heart with tear soaked hands. It can be placed somewhere to be viewed over and over and read as needed to bring joy long after that first read.

■ The conversation you strike up with a stranger in a grocery store is part of the shared human experience of simply shopping for necessities. Instead of racing through the aisles, pause for a comment, a laugh, or a smile and a brief conversation, for we may be the only human interaction those other folks have that day. People touch lives for just a moment and move on. As well we should. The traffic of humanity does not flow like cars on a highway. We intersect, cross, and bump into each other in person. Why shouldn't we speak when we do? Say, “hello, pardon, me please or thank you!” Be kind. Push your chair back under the table at the food court and clean up your mess. Comment on someone's glasses, dress, shirt, or tie and you break the silence of the moment. That “little thing”, could make a world of difference in their day. Let the person vying for that parking space go ahead of you. Put the shopping cart back in the cart return instead of leaving it in the middle of the parking lot just waiting to roll into same stranger's car. Your kindness shows respect and one day in some other form, perhaps when you least expect it or need it most, it will come back to you. Wave to the neighbor even if you've never spoken. We don't live in houses. We live in communities connected by invisible trust and support implied not only by proximity, but necessity.

Dear Friends,

You hold the power, the ability, the gift to make positive change in our world by doing little things that make a big difference every day. Choose your words wisely, your actions with much consideration and remember your choices will be the legacy you leave behind. The world has gotten smaller, we have gotten busier. So spend some time this month doing the “little things” that really are big now.

Until next Month,
Warmly, Carolyn



Message from our National President

CYNTHIA M. MALESKI



ANNUAL REPORT FOR 2022



131 years of protecting families,
improving and touching lives and
building communities!

"We are the light of the world"

Very Reverend Monsignor, National
Officers and Members of First
Catholic Slovak Ladies Association
of the United States of America:

As National President, I am
pleased and honored to present
my 2022 Annual Report to you, in

this Year of the Family dedicated to the Mother of God by
Pope Francis.

I am grateful for the opportunity to serve this remarkable
society and its members.

Pochváleny bud Pan Ježiš Kristus!

We are a Beacon of Hope

With our strong pillars of financial strength and fraternal strength, First Catholic Slovak Ladies Association is indeed a beacon of hope and a vital link for financial security for many in our communities across the country. We are grateful for delegates, members of the board, national officers, employees, producers and branch and district officers who continue to "stay the course" with us during these demanding times. In 2022, economic conditions have punctuated our business, including interest rates, inflation and the volatility of the stock market. We continue to focus on the risks attendant to this outside environment in the areas of our portfolio, human resource issues, competitiveness of our products and the regulatory environment.

As we continue to embrace our Catholic values and Slavic traditions, our overarching philosophy and approach has always been to affirm and value all those who we touch on an everyday basis from the beginning of life to the end of life and beyond.

Since 1892, our society has been built on the values of respect for life, integrity, the pursuit of excellence through hard work, perseverance, courage and resilience. During our 130th anniversary year, we looked back to wonderful celebrations, strong leaders, and a history of long-term building and resilience.

Through our refreshed strategic planning process, we build on that strong foundation to envision a new and even more reinvigorated society, enhanced by young adult leaders, new quality products, innovations and more modern ways to reach out to our members and communities across our nation.

We began the 130th anniversary year with an inaugural Pro-Life Prayer Service and Rosary, led by National Chaplain Very Reverend Monsignor Peter Polando, which we will continue as an annual event.

We are proud of our agility, as we found that the COVID pandemic continued to impact how business is done. I would like to commend our board, officers and home office staff for their commitment to maintaining our operations for the benefit of our members. We continued to monitor and modify safety protocols and our employees adapted quickly. As an essential business, some of us were in the home office for most of 2020, 2021 and 2022 to serve the essential needs of our members. This is the essence of grit, courage and leadership which exemplifies FCSLA Life!

In 2022, all quarterly board meetings were held in person. Executive Committee meetings were of a hybrid nature. We held our second (June) quarterly board meeting in Youngstown, Ohio so we could also attend the 42nd anniversary of ordination of our National Chaplain Very Reverend Monsignor Peter M. Polando, the day before the quarterly board meeting.

We planned our September quarterly meeting to coincide with the 100th anniversary of St. Andrew Abbey in Cleveland, Ohio. Since we have been a longstanding partner with St. Andrew Abbey, we were honored to celebrate with them with Mass and dinner with the Benedictines.

As your National President, I was honored to attend these affairs, as well as a multitude of community events, including district gatherings, two Saint Ann's Day events (both in Indiana - virtually - and in Cleveland) as well as other key ethnic gatherings where many of our members hold leadership roles. We also held a wreath laying ceremony at the home office on St. Ann's Day.

As National President I continue to serve on the standing AFA board Advocacy & Policy Committee, American Fraternal Alliance, where we create and direct execution of strategies to protect our federal and state tax exemption, building awareness of what fraternalists do to serve communities at large, serve the common good and promote peace. Relationship building continues with these vital linkages to other fraternal and industry leaders and key governmental officials.

Relationship Building Post-Pandemic

As most organizations began to meet in person again post-pandemic, we are pleased that we have been able to meet face to face on many occasions, thus reigniting relationships with other fraternalists, industry experts, regulators, and branches and districts. We also have the opportunity to meet virtually as well. I was able to join our National Sales

NATIONAL PRESIDENT'S ANNUAL REPORT FOR 2022

Manager, Paul Smithers, in a successful President's Club meeting for qualifiers in San Diego, California.

We returned to a new normal in the home office. We allowed staff to work remotely in agreement with their managers as conditions permitted. The expectation in the workplace has definitely changed and our home office team remains dedicated and committed. Our bond of respect for each other continues and we are amazed at everyone's perseverance and dedication. Even in stressful times, our mission is to provide financial security to our members and quality services for all whom we touch.

Sustained Managed Growth: A Refreshed Strategic Plan

Our continued overall strategy of sustained managed growth fuels our multi-year growth profile. From 2016 through 2021, our assets grew by a rate of 30.17% which continued in 2022, with assets growing to \$1,127,968,949.

Our longstanding strategic principles guide the strategic plan:

- A diversified portfolio of quality products and strong distribution channels
- Financial strength and flexibility
- Generous benefits to our members and the communities where we live
- Leadership built on a foundation of integrity and trustworthiness

Total revenue for 2022 was \$37,187,201, made up of life and annuity premiums and investment income. Total assets remain over \$1B and our insurance in force (including post mortem benefits) is over \$1B. Surplus was \$109.3M at end of 2021 and at \$109.1M at end of 2022.

2022 was punctuated by overall uncertain economic conditions in terms of inflation, interest rate and stock market volatility, challenges in hiring, and competitive industry trends in our marketplace.

Our results were achieved through focused, hard work by a team of dedicated FCSLA people and low operating expenses. We continue to provide fraternal benefits to our members, branches and districts and programs to reach broader communities, second to none in our country.

We are now in the deployment phase of a refreshed 5-7 year Strategic Plan which we believe will help forecast, prioritize and clarify accountabilities on the financial, membership and fraternal, operations and technology and governance and organizational arenas.

Excellence

As we continue to pursue excellence, we again achieved an A- (Excellent) overall rating from A.M. Best. Focus areas include financial strength, operating performance, business profile and enterprise risk management. Through a fortified team approach, our teams presented a fine snapshot of where we stood in 2021 going into 2022. Challenges include engaging with a new A.M. Best rating team, increasingly rigorous standards, lower yields in our portfolio and lower operating performance due to our fraternal costs, and the

stresses nationally and in the workplace coming out of COVID and in the current general economy.

Risk

Our risk management program and structure have evolved and become more focused year after year since 2012. We look to more focused measures and targets in a number of areas, including human resources, interest rate uncertainty in the bond, stock market volatility and repeated speculation about a recession. In the 4th quarter 2022, we entered into a relationship with an asset manager after evaluation that the manager would yield more than its fee, as well as produce higher portfolio yields.

New Business

FCSLA Life continued to maintain operating profitability while significantly investing in new technology and infrastructure needs such as a new Illustration system, new e-app and docu-sign systems, and new communication and marketing tools.

Product development was done to meet NAIC Nonforfeiture Values and new rates for our Single Premium Whole Life products. Quarterly contests, promotions, new underwriting tools and new product development are ongoing.

The Fraternal Story

We are a beacon of hope with hundreds of shining stars in our communities. Despite many challenges we continue to robustly support many national, district and branch fraternal and benevolent causes, including funding our branches and districts, publication of our magazine *Fraternally Yours*, reaching every household every month, accruals for conventions, donations, matching funds, scholarship awards and post mortem benefits. We paid out \$4M directly for these remarkable programs, as well as \$1.4M in dividends.

In 2022, we celebrated our 130th anniversary by encouraging branches to bestow special donations to shelters, food pantries, and singing "Happy Birthday" to our beloved Zenská Jednota. We developed a framework for a Young Adult Leadership Council to provide greater diversity of thought, age, geography and to further develop leadership which we plan to launch in 2023.

After 2 years of virtual meetings, we held our 21st District Presidents' meeting on May 5, 2022 in person! It was so good to see everyone again.

We made the wise decision to prepay for enough paper to be able to print our magazine in a timely fashion through Triangle Press, nationally certified Women's Business Enterprise (WBE), despite the risk of supply chain disruptions and delay issues nationwide. In 2023, we will revert to a review of outside printers who can deliver the fine quality magazine we have grown to love. We also printed the 27th printing of our Slovak-American Cookbook.

Our Facebook footprint continued to expand with now over 8,000 followers at the end of 2022. We blend daily inspirational posts with information about our core business. We monitor the page 365 days a year.

NATIONAL PRESIDENT'S ANNUAL REPORT FOR 2022

Our Scholarship Program

Our program is vibrant and generous. In 2022, a total of 202 scholarships were awarded to 202 students for a total amount of \$221,000. Our awardees reside and attend schools across our country. In addition to our main scholarship program, there are other scholarship opportunities including awards funded by the Gaydos and Hovanec Families.

Thank You!

It is an honor and privilege to serve as National President/CEO of First Catholic Slovak Ladies Association of the United States of America.

Given the significant challenges presented to us, we are proud of the results we achieved in 2022, working together as a board, home office team and branches and districts. I am grateful to Kimberly Graham, National Sec-

retary/COO and Stuart Collins, National Treasurer/CFO for working with me and other managers as a leadership team. Personally, I am grateful to humbly accept the John Jordan Upchurch Award, in recognition of lifelong work dedicated to fraternalism to benefit the broader community, to promote financial security for all in furtherance of the common good and to promote peace.

To our members, we look forward to helping you make your future bright in 2023 and into the future. As a member driven fraternal benefit society, our longstanding philosophy is to affirm, respect and dignify every individual person from the beginning of life to the end of life and beyond.

Respectfully Submitted,
Cynthia M. Maleski, J.D.
National President/CEO

First Catholic Slovak Ladies Association 2022 National Officer's Annual Reports

▲ National Chaplain

~ Very Reverend Monsignor Peter M. Polando,
D.Min., J.C.L.

Madam President, National Officers, and Members of the First Catholic Slovak Ladies Association,

Pochválený buď Pán Ježíš Kristus!

Upon reviewing the events that occurred in the year 2022, I am so joyfully reminded of the fortieth anniversary of my ordination to the priesthood in 1980, delayed because the spread of Covid on the original date year of ordination. The President, with her husband, and some members of the Board of Directors were present who only added to the heartfelt support and the kind relationship that knits us together (whether we agree or disagree on some issues that come before us at Board meetings!) and the respect that the Board presents to me as a priest, friend, and member of the Board of Directors and the Executive Committee. I have been truly blessed in working with these fine people over the years and the Home Office personnel who assist the Association, making us anchored as a fraternal entity.

Also in 2022, the bishop of Youngstown, Bishop David Bonnar, asked me to step down as rector of the Cathedral of Saint Columba and become pastor of Saint Paul Church in Salem, Ohio, and administrator of Saint Patrick Church in nearby Leetonia, Ohio. On the one hand, I was apprehensive because the sadness of missing the families and staff members at the Cathedral whom I had come to know for almost eight years, and had become a part of my heart. The thought of moving my possessions (which sent chills up my spine!) to another rectory, which is twenty miles from the Cathedral, was frightening! I was driven to sort through my "stuff" that I did not use and did a lot of "pitching", if you know what I mean!

I accepted and, as of March 1, embarked sharing my priesthood with two new flocks. Of the two, Saint Paul in Salem is the larger church in structure, number of families, and is where I reside. It has a preschool and is a one through six grades school with 135 children. It is one of two Catholic grade schools in the county. Saint Patrick in Leetonia is one of those quaint, smaller, country churches with a school building and rectory. I so much enjoy being the shepherd of these two communities and am thankful to the Holy Spirit's guidance through the Seven Gifts which have guided me through the completion of my first year in the new pastorate/administration.

In regards to my 2022 Annual Report to the Board of Directors and the Membership of the Association, please know that I keep all of you and your families in my prayers, especially in: my celebrations of the Eucharist, the praying of all the Hours in the *Liturgy of the Hours* (the *Breviary*), and praying the four mysteries of the Holy Rosary. I confess that I do miss some days but those are rare. Prayer is fundamental to the daily life of the Christian and we, the members of our Catholic Association, know how important it is to pray. The foundation of the sacraments is the celebration of the Eucharist. The other sacraments enable us to receive Christ by His restoring new life – Baptism and Confirmation; His relief of illness – Reconciliation and Anointing of the Sick; and, His call to vocation – Marriage and Holy Orders. You and I possess the privilege to promote, as our members who have gone before us did in the past, the practices of our Catholic Faith and the need for prayer. We are also called then to be models of those who handed down the Faith and our Slovak heritage to the next generations in our families and our Association.

I have been present for the Executive Committee meetings, mostly by telephone, on February 2, May 17, August 9, and November 9, 2022. I was also present for the Board of Directors meetings, again mostly by telephone, on March 16, June 27, September 17 and December 6, 2022. I am quite edified by the efforts of the mem-

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bers of the Committee and the Board – (listening and reacting to the various issues that come before us) the resolutions to problems that confront us, the instinct of realizing how present decisions will affect the future good of the Association, and keeping you in mind as we are all members of the Association.

I hope that you have enjoyed reading my articles that I convey to you in our monthly, *Fraternally Yours*. I have made them vehicles to assist you and me in becoming more of aware of professing our Faith in our daily lives. We Catholics of Slovak heritage should be able to spread the Gospel through our thoughts, words, and actions and I hope that my writings have given you the strength to build your relationships with God and neighbor. As a note, I give ulcers to our editor, Carolyn Bazik! She usually texts me when the following month's article is due. At times, she receives on the afternoon of the due date! What patience! I ask God's blessing upon you and your families and know that they and you are in my prayers and celebrations of Holy Mass!

▲ National Secretary

~ Kimberly A. Graham

Very Reverend Monsignor, Madam President, National Officers, and Members of First Catholic Slovak Ladies Association (FCSLA Life),

2022 was an important milestone in our history as we celebrated our 130th year anniversary at FCSLA Life. As we continue to grow and thrive, this also was the second full year of the COVID-19 pandemic. Although, the impact of this global pandemic is still challenging, here at FCSLA Life we continue to forge ahead. We all have learned how to navigate working within the constraints of a coronavirus pandemic and in 2022 everyone came back to work "in person" at the home office. We have a resilient staff and throughout the last two years they continue to perform our daily operations with seamless zeal. I am honored to be submitting my annual report and sharing with each of you a summary of the operations of our Association's National Office. FCSLA Life was founded on the belief that financial security should be within reach of everyone. After 131 years, that purpose continues to drive our organization while embracing our Catholic values and Slavic traditions.

As I look back on the past year, we continue to be proud of our many accomplishments. We focus our daily efforts on moving the organization forward by driving operational excellence, increasing our financial strength, and enhancing member value here at FCSLA Life; and we do this in concert with our Strategic Plan. The Strategic Plan is discussed and updated at every board meeting. As a first step in our digital transformation, in August, we launched a new illustration and eApp. It has been well received by our producers due to the ease of doing business with us. The addition of these new sales tools provides our producers the necessary technology for core functionality.

The past year post pandemic, we have adapted to the "new normal" while continuing to deal with the coronavirus pandemic and managing to keep the company running successfully. At the Home Office, I led our COVID-19 Task Force this past year which consisted of National President Cynthia Maleski, National Treasurer Stuart Collins, Insurance Manager Paula Dalpiaz, and National Sales Manager Paul Smithers. This group succeeded in

providing the necessary communications and implemented the numerous essential safety measures to protect our employees. Amid this disruption, FCSLA Life remained financially strong. We continued to increase our admitted assets ending 2022 with \$1.1 billion in admitted assets. The staff continues to be flexible and adaptable while evolving and become more efficient with a focus on the member and a disciplined approach to unit cost improvement. Digital is now part of our everyday world which enabled new ways of connecting, communicating, and collaborating.

Insurance and Annuity Activities: The following report covers from January 1, 2022, to December 31, 2022. A report resembling this is presented to the Board of Directors at each quarterly meeting.

Life Insurance: FCSLA Life sold 372 new Life Certificates (including conversions) in 2022 with a total face value of \$9,390,041. (A total of 802 new Life Certificates - including conversions - were sold in 2021, with a face amount totaling \$22,543,722.)

Life Insurance Dividends: Dividends are a non-guaranteed value, voted on annually by the Board of Directors. Dividends were distributed in the following manner in 2022:

	2022	2021
Cash dividends via check	\$ 60,655	\$ 60,523
Accumulated dividends	\$ 116,672	\$ 118,009
Dividends used to reduce premiums	\$ 38,609	\$ 40,658
Dividends used to reduce loan balances	\$ 1,744	\$ 1,935
Dividends for paid-up additional insurance (PUA)	<u>\$1,181,957</u>	<u>\$1,172,157</u>
Total distributed dividends	\$1,399,638	\$1,393,282
Interest on accumulated dividends	\$ 191,604	\$ 186,657
PUA purchased with dividends	\$3,722,542	\$ 3,757,943

Loans: Members with life insurance certificates are eligible to take loans against their certificates as outlined in their contract. A loan may not exceed the contract loan value. Any prior debt will be included in and made a part of a new loan. The interest rate charged is dependent upon the contract language of the certificate, the range being 4%-8%.

	2022	2021
All unpaid loans and interest balance	\$1,828,624	\$ 1,927,530
Total number of loans	739	812

Annuities: FCSLA Life sold 300 Annuities in 2022 for a total balance or Face Amount of \$10,850,708. (A total of 730 Annuity Certificates were sold in 2021, with a face amount totaling \$32,903,440.)

Fifty Year Checks: FCSLA Life rewards members who have reached 50 years of consecutive membership with a one-time \$75 check 991 members achieved 50-year status in 2022. (1,157 members achieved this in 2021.)

Post Mortem Benefit: This benefit is a non-guaranteed value, voted on annually by the Board of Directors.

	2022	2021
Amount paid:	\$1,834,214	\$1,733,560

Slovak-American Cookbook: Since 1952, our recognized cookbook continues to be a popular publication. It features many

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culinary favorites and is a chosen gift to give to friends and family. It appears with the pandemic more families are cooking at home and purchasing our cookbook.

	2022	2021
Number purchased:	1,170	2,110

In 2022, we reprinted the cookbook, and it still contains the traditional Slovak-America recipes that were first published in the original edition over half a century ago. The emerald hardback cookbook is now in its 27th printing, with over a quarter of a million copies sold. It is one of the many ways we promote and preserve our Slovak heritage and culture among our members and community. Now that the cookbooks are back in stock, the staff have been very busy shipping them out to our members.

Sales: FCSLA Life Home Office staff has collectively worked together with our National Sales Manager in many areas, including marketing, new product development, and sales training. In 2022 despite dealing with the COVID-19 pandemic the sales team continued to be agile and was able to meet with their producers in a variety of ways from face-to-face sales presentations and sales meetings to a combination of virtual meetings, mail and telephone meetings with our agents, recommenders and branch and district members of our society. National Sales Manager Paul Smithers continued working with his RSM to bring our products and tools to our producers so they can bring in new members with balancing sustained managed growth. Our RSM's were involved with testing our new illustration and eApp system. Agency Administrator Andrea Metcalf continues to provide support to our producers.

We continued to improve our process of measuring and monitoring sales objectives with the Regional Sales Managers, to quantify their progress in increasing sales. FCSLA Life's marketing and product/sales material has been integrated for use with Agents and Recommenders. Monthly teleconferences are hosted by the National Sales Manager and Regional Sales Managers on a variety of topics focusing on sales ideas, training, and product information for agents and recommenders. As of 12/31/22 we have 813 contracted agents, 39 fully licensed recommenders, and 42 Pennsylvania restricted license recommenders.

As a value to our member, we continue to offer the opportunity to receive a free *Family Records Guide*. This booklet will help members to record their wishes and organize life's many details.

In 2022, the Friends and Family Program continued to provide membership referrals. This program allows our members to be rewarded \$25 for referring potential new members if they meet our three requirements. 2125 referrals came in from the Friends and Family campaign from January 1 – December 31, 2022.

	2022	2021
Commissions paid to sales force:	\$971,767	\$2,110,127

New Business: In 2022, with addition of our new illustration system and eApp it allows us to issue new business quicker since the electronic applications are always in good order. Prescription Check continues to be a great tool for our New Business to use in assessing risk of potential members. This past year we promoted Stacey Magoch to the position of Underwriter, and she continues to provide excellent customer service to our producers.

Technology: We hold quarterly IT Steering Committee meetings to review computer software and hardware requirements for

compliance, security, and potential obsolescence. All pending IT projects are discussed to identify status, options, billable hours, and cost. In 2022, our IT Manager Prathima Vadi along with our Insurance Manager Paula Dalpiaz, and Programmer/Analyst Jim Deak continue to monitor all IT related projects and software updates. One of the positive tools that we use all the time is virtual meetings which enable us to continue holding meetings remotely with content collaboration. In 2022, we held a successful disaster recovery test and hot site test. During this test we again used our virtual meeting program that allowed us to have breakout sessions with our various teams. In 2023, we anticipate launching a new Member Portal that will allow you to view information about your policy.

Website: In 2022, we continue to enhance our website www.fcscla.com with the assistance from our website administrator, Dynamics Online, Inc. The new rebranded website continues to receive positive feedback on our new brand and colors. The staff can use the mobile-friendly WordPress format to allow for quicker updates to the site. We positioned the new website for search engine optimization (SEO) which in the past year increased the traffic and activity to our site. Every month we review our analytics that capture site traffic, visitor behavior, referrals, and other key metrics.

The monthly activity report provides statistics and analysis on the overall number of visitors to our website in 2022, as well as which search engines and search phrases referred visitors to our site most often. The analytics report identifies traffic and activity trends as well as our top queries. It lists the most popular documents on our site, how often they were viewed, and displays the average length of time spent on the page. In accessing our website, members and potential members gain information about our Association and updates on our products and programs. The forms our branch officers and members use are available on the website to be printed. Graphic Artist Geralyn Radevic and Marketing Coordinator Mila Bennet assist with updating our website with latest information and branch activities.

Board of Directors: As part of my role as National Secretary I support the board of directors by attending quarterly Executive Committee and Board of Directors meetings taking the minutes of board meetings or resolutions adopted by the board during these meetings. I then record and document the proceedings and prepare them for circulation to the Board of Directors as required by law, regulation, or policy. As National Secretary, I keep custody of these minutes and certify the contents of the records to third parties, including the superintendent of the Ohio Department of Insurance, from time to time. I serve as Secretary as required by Ohio nonprofit statute ORC 1702.34 and fulfill the responsibilities of this role for the association. In 2022, I supported the board working group with its project of updating the Board of Directors' *Policies and Procedures Manual*.

Districts: FCSLA Life currently has 15 active districts. Districts have a key role in our fraternal benefit branch system. They offer assistance and support to the branches in their vicinity to share information and ideas. In addition, many of the districts hold activities and events together. In 2022, we finally were able to hold our 21st Annual District Presidents' meeting in person on May 5, 2022. This annual meeting gives the national officers and key stakeholders the opportunity to update the attendees on new information, product development, strategies, and procedures. To recap, National President Cynthia Maleski reviewed trends, provided an update on

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our Strategic Plan, AM Best, and discussed home office operations during this post pandemic year. Approximately \$15,477 was paid out for the annual district funding for 2022 (as compared to \$18,274 for 2021). The annual district funding guidelines includes 3 components. Operations – Each district will receive a base amount of money contingent upon the number of members in each district and if the district holds at least one meeting with an informational sales presentation. Life Insurance and Annuity Certificate Sales – Additional money can be earned by the sale of any new life insurance or annuity certificate attributed to the district. Fraternal/Religious and Cultural Heritage Events/Activities – Districts can earn even more by holding fraternal/religious/heritage events.

Branches and Fraternal Outreach: Our Association is recognized as one of the top fraternal societies active in the United States today. The common bond of branch membership in a fraternal organization provides us the competitive edge over commercial insurance companies. The branch plays a critical role in delivering this sense of fellowship. FCSLA Life currently has 541 branches in 29 states. It is recommended that Branch Officers review and share the monthly Branch Newsletter with their officers. Although 2022, was a calamitous year, our branches remained steadfast in participating in Matching Funds activities in whatever method possible. I commend our branches for being so creative in continuing our philanthropic outreach:

	2022	2021
<u>Branches</u>		
# Projects	170	148
Amount Raised	\$ 1,006,746	\$787,519
Amount Matched	\$ 101,339	\$ 87,075
# Branches Participating	104	95
# Branches Completing the maximum projects	48	38
<u>Districts</u>		
# Projects	9	7
Amount Raised	\$ 11,660	\$ 11,572
Amount Matched	\$ 5,600	\$ 4,200
# Districts Participating	6	5
# Districts Completing the maximum projects	3	2

In 2022, to recognize the March for Life in Washington, D.C. we held a virtual prayer service conducted by our National Chaplain Monsignor Peter M. Polando. Join Hands Day is held the first Saturday in May. In 2022, most of the districts and branches were back in person participating in outdoor activities on this day of community service in very resourceful ways.

	2022	2021
Branch fraternal activity reimbursement	\$125,438	\$ 84,275
Branch compensation	\$640,698	\$679,477

Scholarships: For the 2021-2022 annual scholarship program, FCSLA Life awarded 202 scholarships in the amount of \$221,000 to students from elementary school to graduate school. This is one of the most generous annual benefits our association offers to members. Applications are available on our website as well as being posted in the January and February *Fraternally Yours*. 2022 was the fourth year for the Florence Hovanec Memorial Award and the John & Geraldine Gaydos Award. The Anna

Hurban Scholarship Fund, which began in 2017, continues to be a vibrant part of FCSLA Life and creates an opportunity to provide our young members access to affordable education for deserving students. If you want additional information on this opportunity to help our student members by contributing to the current fund, look for details in the upcoming issues of *Fraternally Yours*.

Home Office Staff: At the FCSLA Home Office, I continue to be impressed by the commitment of our devoted and experienced staff whose dedication to our current members, new members, branch and district officers, and producers is amazing. The national officers have confidence in this loyal staff, as they are the individuals with the daily expertise and understanding of our organization. In 2022, several new staff members were hired, and we continued cross training where needed.

Rebranding: In 2022, we continue to promote our brand and tell our story. Our new logo conveys our traditional values in red, white, and blue colors – celebrating both our Slovak and American heritage. The three tributaries of our logo stand for Family, Faith and Financial displayed within the circle of life, with the three tributaries flowing together, working in harmony and support of each other.

A.M. Best Review: In preparation for the interview and review process with the A.M. Best analysts, the FCSLA Life executive leadership team prepares a significant annual business report. This review covers many areas including management, financial, sales, operations, fraternal, strategic planning, investments, and enterprise risk management. We are pleased and proud that FCSLA Life has maintained an A- (excellent) Rating for 2022 from A.M. Best.

In closing, I would like to thank National President Cynthia Maleski for her enthusiasm, innovation and leadership, and National Treasurer Stuart Collins for his financial wisdom. I appreciate their advice and collaboration during this past year, as well as all the National Officers on the Board of Directors. As I look back on the past year, I was extremely amazed by how our branches and districts were able to remain active and committed during the pandemic. Your dedication to our association is incredible. Lastly, I thank our producers who represent FCSLA Life, selling our products to bring financial security to our members. As your National Secretary, I thank you for your confidence and support, and I am thankful for the opportunity to serve you, the FCSLA Life members. I appreciate and want to recognize the outstanding Home Office staff for their commitment and flexibility this past year. As we transition into 2023, what lies ahead? I am energized for the projects we have planned in 2023 to accelerate our strategic digital transformation as FCSLA Life continues to thrive and grow for future generations.

Kimberly A. Graham
National Secretary

Happy
Mother's Day!

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▲ National Treasurer

~ Stuart L. Collins

National Directors and Members of First Catholic Slovak Ladies Association (FCSLA Life). I am pleased to present the 2022 National Treasurers' report of FCSLA Life.

Economic Conditions in 2022

FCSLA Life is significantly impacted by economic conditions in the United States, particularly interest rates that affect our investment options and annuity crediting rates. Interest rates, inflation and the stock market returns were volatile in 2022. Inflation, at one point during 2022 reached 9 percent when measured year over year, creating economic uncertainty and fears of recession. In addition, the U.S. Federal Reserve Bank actions, including raising short term rates in 2022 in an attempt to reduce inflation, resulted in short term bonds yielding more than longer term bonds, creating an inverted yield curve. Inverted yield curves are not the norm, and sometimes signal a coming recession. In addition to the interest rate inversion, interest rates continued generally increasing after bottoming in the summer of 2020 at under .6% for the benchmark 10 year U.S. Treasury rate. Since that time, rates have increased materially with the 10-year U.S. Treasury yielding 3.9% at year-end 2022. Finally, the benchmark S&P 500 index of stocks declined by 19.4% in 2022.

Financial Statements

This report includes comparative balance sheets and income statements for 2022 and 2021. As in the past, the financial statements will be audited by our independent auditor. The audit of our 2021 financial statements resulted in an unqualified opinion. In addition, National Auditors and National Trustees review financial records pursuant to the Constitution and Bylaws. FCSLA Life follows the accounting rules promulgated by the Ohio Department of Insurance and the National Association of Insurance Commissioners (NAIC), and these rules are collectively referred to as Statutory Accounting Principles.

Balance Sheet

Total assets grew by \$11.1 million to a total of \$1,127.5 million at December 31, 2022, an increase of 1.0% over 2021. Cash on hand at year end increased by \$.6 million to \$18.3 million in 2022.

FCSLA Life maintains most investment assets (95.6%) in bonds. These bonds consist of corporate bonds (95%), state and municipal bonds (3%) and mortgage-backed securities and other bonds (2%). Every year bonds mature or are called (approximately \$24.9 million in 2022), and the proceeds are reinvested in new bonds. During 2022 FCSLA Life purchased bonds for approximately \$42.7 million. Of course, the new bonds purchased reflect market interest rates at the time of purchase, and in 2022 bond purchases were typically at lower interest rates than the rates of the bonds that matured. The investment yield was 4.63% in 2022 and 4.85% in 2021.

We continue to use a balanced approach of buying a diversified mix of bonds to meet long insurance and annuity commitments. Further, by policy, FCSLA only purchases investment grade bonds and may hold bonds that were originally purchased as investment grade but have been downgraded to below investment grade.

Corporate bonds and municipal bonds are subject to credit rating changes, upgrades and downgrades, from the major credit rating agencies (Moody's, S&P and Fitch) and the NAIC. During 2022 the total dollar amount of bonds that were below investment grade fell from \$65.9 million at December 31, 2021 to \$58.2 at December 31, 2022, reducing our bond default risk.

Common and preferred stocks represent approximately .9% of our total assets. A list of all bonds and stocks purchased, matured and disposed of during 2022 is included at the end of this report. Other assets include real estate of \$4.8 million (the home office) and policyholder loans of \$1.8 million. During 2022, FCSLA Life engaged an investment firm to assist in the investment of FCSLA Life assets, subject to the investment policy set by the Board of Directors. The firm provides portfolio evaluation, risk management, security selection and security trade executions services, in collaboration with FCSLA Life management and Board of Directors. We believe the engagement of the outside investment firm will improve risk management, result in higher yield than would otherwise be the case, and provide more efficient (less costly) trade execution.

In 2022, life insurance reserves increased by \$.9 million to \$308.0 million. Life reserves are the direct result of new life sales, death claims and surrenders, and are impacted by changing mortality risk as our membership demographics changes. Annuity reserves increased by \$9.5 million to \$683.9 million. Annuity reserves are the result of annuity sales, less annuity payments to members/beneficiaries and interest earned on member balances. Annuities now represent 69% of FCSLA Life business, as measured by reserve balances.

Life and annuity reserves comprise 88% of all liabilities, and other liabilities include death claims payable of \$3.2 million, accumulated dividends and interest of \$5.1 million, and the asset valuation reserve of \$12.3 million. Surplus fell by \$.2 million in 2022 as a result of the decrease in the market value of stocks (\$.9 million), offset somewhat by a decrease in the asset valuation reserve (\$.3 million).

Income Statement – Operating Results

Total revenue for 2022 was \$88.5 million vs. \$119.1 million in 2021 consisting primarily of \$4.3 million of life premiums, \$32.9 million of annuity premiums and \$50.7 million of investment income. The largest decrease in revenue was from annuity sales that decrease by \$28.0 million in 2022.

FCSLA Life currently offers three types of annuities (Silver, Gold and Platinum Elite) each with differing credit rates and early surrender fees. As of December 31, 2022, the crediting rates were Platinum (3.25%), Gold (3.15%) and Silver (3.10%).

Investment income was \$50.7 million in 2022, a decrease of \$.6 million from 2021. The higher bond balances were more than offset by reinvestment at lower yields, as very high yielding bonds purchased many years ago matured. The trend for the past few years has been that the effective return on the total bond portfolio decreases slightly as higher-yielding bonds mature (or get called) and are replaced by lower-yielding bonds. Investment returns in 2022 were reduced by a required \$1.5 million valuation impairment of Bed, Bath and Beyond bonds that FCSLA Life owns, reflecting the impaired market value of those bonds at December 31, 2022.

The changes in life and annuity reserves of \$10.4 million in 2022 were a net result of premiums received, interest credited, and benefits and surrenders paid. Insurance benefits of \$10.1 million

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(insurance benefits were \$9.0 million in 2021) represent death benefits paid to the beneficiaries. Although COVID-19 had some impact on claims, the financial impact was not material and death claims in 2022 were only slightly higher than 2021. Longer term health impacts of COVID-19 may impact future death claim timing, but the impact is not currently known. Annuity benefits include annuity surrenders, annuity withdrawals and annuity payments to beneficiaries and were \$48.7 million, an increase of \$9.8 million from 2021. This benefit fluctuates based on mortality and members withdrawing annuity funds to help fund retirement or other cash needs. Surrender benefits of \$3.3 million represent life insurance surrenders which were \$.2 million more than 2021. Commissions paid to recommenders and agents decreased by \$1.1 million in 2022 consistent with the decrease in premiums.

Revenue after direct life and annuity related expenses was \$13.2 million in 2022, versus \$13.4 million in 2021. Revenue less direct life and annuity expense is a measure of the funds FCSLA Life has available to pay general operating expenses and fraternal expenses, after benefits and other direct costs or providing benefits are paid.

Sales and operating expenses include the expenses necessary to operate the life insurance and annuity business as well as to administer fraternal benefits and operate the home office. These costs include officer and employee salaries and benefits, outside professionals (primarily actuaries and accountants), technology and other office related expenses. Total operating expenses were \$6.4 million in both 2022 and 2021. Inflation across a number of categories was offset by lower benefit costs in 2022.

In 2022 FCSLA Life spent \$4.0 million on direct fraternal related activities versus \$3.9 million in 2021. These fraternal costs include branch and districts funding, fraternal activity reimbursement, official publications, conventions (we accrue expense annually), donations, matching funds, scholarship awards, and post mortem benefits. During 2022, post mortem benefits of \$1.8 million were paid to the beneficiaries of deceased members, in comparison with \$1.7 million in 2021. FCSLA Life is one of the few fraternal benefit organizations that provides this fraternal benefit.

FCSLA Life paid \$1.4 million in dividends in both 2022 and 2021, and net income was \$.03 million in 2022 vs. \$2.1 million in 2021.

Financial Strength

Surplus is the most direct measure of financial strength, representing the assets less liabilities, and surplus decreased from \$109.3 million to \$109.1 million in 2022. The level of surplus is well above statutory requirements and remains near record levels for FCSLA Life.

A second way to measure FCSLA Life financial strength is our solvency ratio. Our solvency ratio is 111% at the end of 2022. This means that we have approximately \$111 in assets to cover every \$100 of liabilities.

A third way to measure financial strength is evaluation by an independent third-party firm. In 2022, A.M. Best renewed our A- (Excellent) rating, consistent with the rating in 2021. Although an A.M. Best rating is not required for insurance companies, it is considered the insurance industry gold standard for measuring financial strength. The process is so demanding that many fraternal choose not to go through the rating process, either because of the extensive resources required or because the fraternal knows that its rating will not be favorable.

Financial Challenges

Net income, which measures revenues and expenses and directly impacts surplus, declined in 2022, continuing a general trend for the past few years. This decline in net income is the result of external factors such as lower interest rates on new bond investments and increasing competition which pressures profit margins, particularly in annuities. Internally, we achieve great success in our fraternal mission - returning millions every year to members and our communities, and of course these costs impact net income. Finally, FCSLA Life faces financial challenges in 2023 and beyond including technology upgrades, staffing, commercial competition, a highly regulated environment and other challenges. As we recognize our achievements in our annual report, which are substantial, we also recognize these challenges. As the National President has discussed, FCSLA Life has embarked on a strategic plan, to help us move forward and address both external and internal factors. I am confident that we will meet the challenges in 2023 and beyond.

Closing Remarks

Thanks to our National President Cynthia M. Maleski and to National Secretary Kimberly A. Graham for their leadership. Thanks also to the Board of Directors for their commitment, diligence and work in 2022. Finally, and certainly not least, thank you to Amy, Claudia, Frank, Gianna, Michelle and Ruth Ann who serve our members every day at FCSLA Life in our Accounting and Annuity departments.

Respectfully submitted,
Stuart L. Collins
National Treasurer
March 2023

ASSETS

	Current Year			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 Net Admitted Assets
1. Bonds (Schedule D)	1,057,710,733		1,057,710,733	1,046,095,956
2. Stocks (Schedule D):				
2.1 Preferred stocks	1,989,631		1,989,631	2,300,921
2.2 Common stocks	7,807,855		7,807,855	8,398,702
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens	258,126		258,126	519,810
3.2 Other than first liens			0	0

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4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$0 encumbrances)	4,360,602		4,360,602	4,532,333
4.2 Properties held for the production of income (less \$0 encumbrances)			0	0
4.3 Properties held for sale (less \$0 encumbrances)			0	0
5. Cash (\$4,757,689 , Schedule E - Part 1), cash equivalents (\$13,500,000 , Schedule E - Part 2) and short-term investments (\$, Schedule DA)	18,257,689		18,257,689	17,635,867
6. Contract loans (including \$ premium notes)	1,817,062		1,817,062	1,927,530
7. Derivatives (Schedule DB)			0	0
8. Other invested assets (Schedule BA)	20,325,292	0	20,325,292	20,504,953
9. Receivables for securities			0	0
10. Securities lending reinvested collateral assets (Schedule DL)			0	0
11. Aggregate write-ins for invested assets	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11)	1,112,526,990	0	1,112,526,990	1,101,916,072
13. Title plants less \$ charged off (for Title insurers only)			0	0
14. Investment income due and accrued	14,544,867		14,544,867	14,423,250
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	5,303		5,303	7,271
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ earned but unbilled premiums)			0	0
15.3 Accrued retrospective premiums (\$) and contracts subject to redetermination (\$)			0	0
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers	0		0	0
16.2 Funds held by or deposited with reinsured companies			0	0
16.3 Other amounts receivable under reinsurance contracts	2,000		2,000	61,104
17. Amounts receivable relating to uninsured plans			0	0
18.1 Current federal and foreign income tax recoverable and interest thereon			0	0
18.2 Net deferred tax asset			0	0
19. Guaranty funds receivable or on deposit			0	0
20. Electronic data processing equipment and software	464,404	0	464,404	65,972
21. Furniture and equipment, including health care delivery assets (\$)	2,554	2,554	0	0
22. Net adjustment in assets and liabilities due to foreign exchange rates			0	0
23. Receivables from parent, subsidiaries and affiliates			0	0
24. Health care (\$) and other amounts receivable			0	0
25. Aggregate write-ins for other than invested assets	642,093	642,093	0	0
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	1,128,188,211	644,647	1,127,543,564	1,116,473,669
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			0	0
28. Total (Lines 26 and 27)	1,128,188,211	644,647	1,127,543,564	1,116,473,669
DETAILS OF WRITE-INS				
1101.				
1102.				
1103.				
1198. Summary of remaining write-ins for Line 11 from overflow page	0	0	0	0
1199. Totals (Lines 1101 thru 1103 plus 1198)(Line 11 above)	0	0	0	0

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2501.	Prepaid Pension	219,258	219,258	0	0
2502.	Prepaid expenses	422,835	422,835	0	0
2503.	Disallowed IMR			0	0
2598.	Summary of remaining write-ins for Line 25 from overflow page	0	0	0	0
2599.	Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)	642,093	642,093	0	0

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Year	2 Prior Year
1. Aggregate reserve for life contracts \$ 968,419,540 (Exh. 5, Line 9999999) less \$ included in Line 6.3 (including \$ Modco Reserve)	968,419,540	956,014,000
2. Aggregate reserve for accident and health contracts (including \$ Modco Reserve)	0	0
3. Liability for deposit-type contracts (Exhibit 7, Line 14, Col. 1) (including \$ Modco Reserve)	29,394,702	30,911,219
4. Contract claims:		
4.1 Life (Exhibit 8, Part 1, Line 4.4, Col. 1 less sum of Cols. 9, 10 and 11)	3,145,726	2,643,452
4.2 Accident and health (Exhibit 8, Part 1, Line 4.4, sum of Cols. 9, 10 and 11)	0	0
5. Policyholders' dividends/refunds to members \$ and coupons \$ due and unpaid (Exhibit 4, Line 10)	0	0
6. Provision for policyholders' dividends, refunds to members and coupons payable in following calendar year - estimated amounts:		
6.1 Policyholders' dividends and refunds to members apportioned for payment (including \$ Modco)	0	0
6.2 Policyholders' dividends and refunds to members not yet apportioned (including \$ Modco)	1,400,000	1,400,000
6.3 Coupons and similar benefits (including \$ Modco)	0	0
7. Amount provisionally held for deferred dividend policies not included in Line 6	0	0
8. Premiums and annuity considerations for life and accident and health contracts received in advance less \$ discount; including \$0 accident and health premiums (Exhibit 1, Part 1, Col. 1, sum of lines 4 and 14)	401,665	437,974
9. Contract liabilities not included elsewhere:		
9.1 Surrender values on canceled contracts	0	0
9.2 Provision for experience rating refunds, including the liability of \$ accident and health experience rating refunds of which \$0 is for medical loss ratio rebate per the Public Health Service Act	0	0
9.3 Other amounts payable on reinsurance, including \$ assumed and \$ ceded	0	0
9.4 Interest maintenance reserve (IMR, Line 6)	487,686	0
10. Commissions to agents due or accrued-life and annuity contracts \$ (4,740) accident and health \$ 142,598 and deposit-type contract funds \$ 4,740	142,598	142,598
11. Commissions and expense allowances payable on reinsurance assumed	0	0
12. General expenses due or accrued (Exhibit 2, Line 12, Col. 7)	2,187,573	1,857,623
13. Transfers to Separate Accounts due or accrued (net) (including \$ accrued for expense allowances recognized in reserves, net of reinsured allowances)	0	0
14. Taxes, licenses and fees due or accrued, excluding federal income taxes (Exhibit 3, Line 9, Col. 6)	(393)	18,000
15.1 Current federal and foreign income taxes, including \$ on realized capital gains (losses)	0	0
15.2 Net deferred tax liability	0	0
16. Unearned investment income	0	0
17. Amounts withheld or retained by reporting entity as agent or trustee	0	0
18. Amounts held for agents' account, including \$ agents' credit balances	0	0
19. Remittances and items not allocated	0	0
20. Net adjustment in assets and liabilities due to foreign exchange rates	0	0
21. Liability for benefits for employees and agents if not included above	708,349	708,485
22. Borrowed money \$ and interest thereon \$	0	0
23. Dividends to stockholders declared and unpaid	0	0
24. Miscellaneous liabilities:		
24.01 Asset valuation reserve (AVR, Line 16, Col. 7)	12,282,189	12,562,542
24.02 Reinsurance in unauthorized and certified (\$0) companies	0	0
24.03 Funds held under reinsurance treaties with unauthorized and certified (\$) reinsurers	0	0
24.04 Payable to parent, subsidiaries and affiliates	0	0
24.05 Drafts outstanding	0	0
24.06 Liability for amounts held under uninsured plans	0	0
24.07 Funds held under coinsurance	0	0
24.08 Derivatives	0	0
24.09 Payable for securities	0	0
24.10 Payable for securities lending	0	0
24.11 Capital notes \$ and interest thereon \$	0	0

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25. Aggregate write-ins for liabilities	420,526	458,726
26. Total liabilities excluding Separate Accounts business (Lines 1 to 25)	1,018,852,303	1,007,154,619
27. From Separate Accounts Statement		0
28. Total liabilities (Lines 26 and 27)	1,018,852,303	1,007,154,619
29. Common capital stock		0
30. Preferred capital stock		0
31. Aggregate write-ins for other than special surplus funds	0	0
32. Surplus notes		0
33. Gross paid in and contributed surplus (Page 3, Line 33, Col. 2 plus Page 4, Line 51.1, Col. 1)		0
34. Aggregate write-ins for special surplus funds	0	0
35. Unassigned funds (surplus)	108,691,255	109,319,050
36. Less treasury stock, at cost:		
36.1 shares common (value included in Line 29 \$)		0
36.2 shares preferred (value included in Line 30 \$)		0
37. Surplus (Total Lines 31+32+33+34+35-36) (including \$ in Separate Accounts Statement)	108,691,255	109,319,050
38. Totals of Lines 29, 30 and 37 (Page 4, Line 55)	108,691,255	109,319,050
39. Totals of Lines 28 and 38 (Page 2, Line 28, Col. 3)	1,127,543,558	1,116,473,669
DETAILS OF WRITE-INS		
2501. ANNA HURBAN & OTHER SCHOLARSHIP FUNDS	257,769	247,474
2502. DEVELOPMENT FUND	121,681	169,680
2503. OTHER	41,076	37,121
2598. Summary of remaining write-ins for Line 25 from overflow page	0	4,451
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)	420,526	458,726
3101.		
3102.		
3103.		
3198. Summary of remaining write-ins for Line 31 from overflow page	0	0
3199. Totals (Lines 3101 thru 3103 plus 3198)(Line 31 above)	0	0
3401.		
3402.		
3403.		
3498. Summary of remaining write-ins for Line 34 from overflow page	0	0
3499. Totals (Lines 3401 thru 3403 plus 3498)(Line 34 above)	0	0

SUMMARY OF OPERATIONS

	1 Current Year	2 Prior Year
1. Premiums and annuity considerations for life and accident and health contracts (Exhibit 1, Part 1, Line 20.4, Col. 1, less Col. 11)	36,808,486	66,680,148
2. Considerations for supplementary contracts with life contingencies	378,715	652,694
3. Net investment income (Exhibit of Net Investment Income, Line 17)	50,623,178	51,297,264
4. Amortization of Interest Maintenance Reserve (IMR, Line 5)	208,023	(224)
5. Separate Accounts net gain from operations excluding unrealized gains or losses	0	0
6. Commissions and expense allowances on reinsurance ceded (Exhibit 1, Part 2, Line 26.1, Col. 1)	0	0
7. Reserve adjustments on reinsurance ceded	0	0
8. Miscellaneous Income:		
8.1 Income from fees associated with investment management, administration and contract guarantees from Separate Accounts	0	0
8.2 Charges and fees for deposit-type contracts	0	0
8.3 Aggregate write-ins for miscellaneous income	57,783	36,649
9. Total (Lines 1 to 8.3)	88,076,186	118,666,531
10. Death benefits	10,101,262	9,034,953
11. Matured endowments (excluding guaranteed annual pure endowments)	58,750	42,444
12. Annuity benefits (Exhibit 8, Part 2, Line 6.4, Cols. 4 + 8)	37,731,285	30,401,623
13. Disability benefits and benefits under accident and health contracts	0	0
14. Coupons, guaranteed annual pure endowments and similar benefits	0	0
15. Surrender benefits and withdrawals for life contracts	13,454,506	10,736,003
16. Group conversions	0	0
17. Interest and adjustments on contract or deposit-type contract funds	2,159,831	2,800,508
18. Payments on supplementary contracts with life contingencies	780,617	770,793
19. Increase in aggregate reserves for life and accident and health contracts	9,197,985	48,887,000
20. Totals (Lines 10 to 19)	73,484,236	102,673,324
21. Commissions on premiums, annuity considerations, and deposit-type contract funds (direct business only) (Exhibit 1, Part 2, Line 31, Col. 1)	971,767	2,110,127
22. Commissions and expense allowances on reinsurance assumed (Exhibit 1, Part 2, Line 26.2, Col. 1)	0	0
23. General insurance expenses and fraternal expenses (Exhibit 2, Line 10, Cols. 1, 2, 3, 4 and 6)	10,422,327	10,371,929
24. Insurance taxes, licenses and fees, excluding federal income taxes (Exhibit 3, Line 7, Cols. 1 + 2 + 3 + 5)	350,886	362,478
25. Increase in loading on deferred and uncollected premiums	0	0

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26.	Net transfers to or (from) Separate Accounts net of reinsurance.....	0	0
27.	Aggregate write-ins for deductions	0	0
28.	Totals (Lines 20 to 27)	85,229,216	115,517,858
29.	Net gain from operations before dividends to policyholders, refunds to members and federal income taxes (Line 9 minus Line 28)	2,846,970	3,148,673
30.	Dividends to policyholders and refunds to members	1,397,819	1,392,235
31.	Net gain from operations after dividends to policyholders, refunds to members and before federal income taxes (Line 29 minus Line 30)	1,449,151	1,756,438
32.	Federal and foreign income taxes incurred (excluding tax on capital gains)	0	0
33.	Net gain from operations after dividends to policyholders, refunds to members and federal income taxes and before realized capital gains or (losses) (Line 31 minus Line 32)	1,449,151	1,756,438
34.	Net realized capital gains (losses) (excluding gains (losses) transferred to the IMR) less capital gains tax of \$0 (excluding taxes of \$ transferred to the IMR)	(1,422,965)	356,054
35.	Net income (Line 33 plus Line 34)	26,186	2,112,492
CAPITAL AND SURPLUS ACCOUNT			
36.	Capital and surplus, December 31, prior year (Page 3, Line 38, Col. 2)	109,319,049	107,004,031
37.	Net income (Line 35)	26,186	2,112,492
38.	Change in net unrealized capital gains (losses) less capital gains tax of \$	(855,528)	1,276,954
39.	Change in net unrealized foreign exchange capital gain (loss)	0	0
40.	Change in net deferred income tax	0	0
41.	Change in nonadmitted assets	(78,806)	(149,792)
42.	Change in liability for reinsurance in unauthorized and certified companies	0	0
43.	Change in reserve on account of change in valuation basis, (increase) or decrease	0	0
44.	Change in asset valuation reserve	280,354	(924,636)
45.	Change in treasury stock (Page 3, Lines 36.1 and 36.2, Col. 2 minus Col. 1)	0	0
46.	Surplus (contributed to) withdrawn from Separate Accounts during period	0	0
47.	Other changes in surplus in Separate Accounts Statement	0	0
48.	Change in surplus notes	0	0
49.	Cumulative effect of changes in accounting principles	0	0
50.	Capital changes:		
50.1	Paid in	0	0
50.2	Transferred from surplus (Stock Dividend)	0	0
50.3	Transferred to surplus	0	0
51.	Surplus adjustment:		
51.1	Paid in	0	0
51.2	Transferred to capital (Stock Dividend)	0	0
51.3	Transferred from capital	0	0
51.4	Change in surplus as a result of reinsurance	0	0
52.	Dividends to stockholders	0	0
53.	Aggregate write-ins for gains and losses in surplus	0	0
54.	Net change in capital and surplus for the year (Lines 37 through 53)	(627,794)	2,315,018
55.	Capital and surplus, December 31, current year (Lines 36 + 54) (Page 3, Line 38)	108,691,255	109,319,049
DETAILS OF WRITE-INS			
08.301.	Cookbook Income	22,462	19,317
08.302.	Other Income-Misc.	35,321	17,332
08.303.	.....	0	0
08.398.	Summary of remaining write-ins for Line 8.3 from overflow page	0	0
08.399.	Totals (Lines 08.301 thru 08.303 plus 08.398)(Line 8.3 above)	57,783	36,649
2701.	.....	0	0
2702.	.....	0	0
2703.	.....	0	0
2798.	Summary of remaining write-ins for Line 27 from overflow page	0	0
2799.	Totals (Lines 2701 thru 2703 plus 2798)(Line 27 above)	0	0
5301.	Prior period 401K adjustment	0	0
5302.	.....	0	0
5303.	.....	0	0
5398.	Summary of remaining write-ins for Line 53 from overflow page	0	0
5399.	Totals (Lines 5301 thru 5303 plus 5398)(Line 53 above)	0	0

BONDS ACQUIRED DURING 2022

Description	Y T M	DUE	PAR
JANUARY			
DUKE ENERGY OHIO INC	3.330	02/01/2049	3,000,000.00
BP CAPITAL MARKETS AMERICA INC	3.450	02/24/2050	3,000,000.00
FEBRUARY			
CANADIAN NATIONAL RAILWAY CO	3.235	01/20/2049	2,500,000.00
EAST OHIO GAS CO	3.650	06/15/2050	3,300,000.00
MARCH			
W W GRAINGER INC	3.565	05/15/2047	3,000,000.00
MASTERCARD INC	3.463	03/26/2050	3,000,000.00

APRIL

SHERWIN-WILLIAMS CO	4.810	06/01/2047	3,000,000.00
MAY			
FLORIDA POWER & LIGHT CO	4.274	06/01/2042	3,000,000.00
UNITEDHEALTH GROUP INC	4.555	03/15/2043	3,000,000.00
SEPTEMBER			
DISCOVER BANK	5.300	02/06/2030	2,500,000.00
AON CORP	5.510	09/30/2040	2,500,000.00
DECEMBER			
HUNTINGTON NATIONAL BANK	5.400	01/10/2030	3,000,000.00
JPMORGAN CHASE & CO	5.868	09/14/2033	2,500,000.00

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PUBLIC SERVICE ELECTRIC AND GAS CO	5.294	12/01/2036	900,000.00
PNC FINANCIAL SERVICES GROUP INC	5.392	06/06/2033	2,500,000.00
PUGET SOUND ENERGY INC	5.507	03/15/2040	<u>1,600,000.00</u>
			<u>42,300,000</u>

BONDS MATURED, CALLED or SOLD DURING 2022

	Coupon Rate	PAR
JANUARY		
NORTH CAROLINA HSG FIN AGY HOMEOWNERSHIP REV	3.363	20,000.00
AUTOZONE INC	3.700	50,000.00
FORD MOTOR CO	8.875	100,000.00
MCDONALD'S CORP	2.625	80,000.00
JPMORGAN CHASE & CO	4.500	3,000,000.00
BERKSHIRE HATHAWAY INC	3.400	100,000.00
BERKSHIRE HATHAWAY INC	3.400	100,000.00
FEBRUARY		
COCA-COLA REFRESHMENTS USA LLC	8.500	2,010,000.00
INDIANA BD BK REV	3.500	25,000.00
ANHEUSER-BUSCH INBEV FINANCE INC	3.650	350,000.00
MANSFIELD TEX	4.648	15,000
MANSFIELD TEX	4.648	185,000.00
MARCH		
MARYLAND ST	4.300	15,000.00
PARAMOUNT GLOBAL	3.700	100,000.00
ALLTEL CORP	7.875	2,000,000.00
ABBOTT LABORATORIES	2.550	100,000.00
LINCOLN NATIONAL CORP	4.200	30,000.00
APRIL		
BARKER CYPRESS MUN UTIL DIST TEX	3.625	50,000.00
TARGET CORP	8.875	70,000.00
TARGET CORP	8.875	430,000
ERIE CNTY PA GEN AUTH LEASE REV	4.750	25,000.00
MACY'S RETAIL HOLDINGS LLC	3.625	100,000.00
KEURIG DR PEPPER INC	4.985	1,750,000
KEURIG DR PEPPER INC	4.985	250,000.00
MAY		
HOME DEPOT INC	2.625	500,000.00
LANSING MICH CMNTY COLLEGE	4.000	25,000.00
BERKSHIRE HATHAWAY FINANCE CORP	3.000	500,000.00
JUNE		
INDIANA CNTY PA INDL DEV AUTH REV	4.000	50,000.00
WEST KNOX UTIL DIST KNOX CNTY TENN WTR & SWR RE	4.600	100,000.00
MARRIOTT INTERNATIONAL INC	3.250	25,000.00
PORTLAND ORE RIV DIST URBAN RENEWAL & REDEV	3.980	50,000.00
JULY		
CHOICE HOTELS INTERNATIONAL INC	5.750	1,875,000.00
CHOICE HOTELS INTERNATIONAL INC	5.750	25,000.00
CHOICE HOTELS INTERNATIONAL INC	5.750	100,000.00
WALGREEN CO	3.100	100,000.00
AUGUST		
CITIGROUP INC	4.050	25,000
KILLEEN TEX	3.125	100,000.00
DECATUR ALA SWR REV	3.250	50,000.00
AMERICAN CAMPUS COMMUNITIES OPERATING PARTNER	3.625	3,000,000.00
SEPTEMBER		
NEW ORLEANS LA	4.961	100,000.00
GENERAL ELECTRIC CO	3.150	150,000.00
EATON CORP	2.750	100,000.00
HP INC	4.050	20,000.00
PARKER-HANNIFIN CORP	3.500	100,000.00
OCTOBER		
WILLIAMS COMPANIES INC	3.700	50,000.00
NOVEMBER		
OMAHA NEB SAN SEW REV	3.250	150,000.00

WESTERN MICH UNIV REVS	5.250	25,000.00
NATIONAL FUEL GAS CO	3.750	44,000
DECEMBER		
ALABAMA POWER CO	5.875	1,000,000.00
ALABAMA POWER CO	5.875	1,609,000.00
ALABAMA POWER CO	5.875	2,000,000.00
ALABAMA POWER CO	5.875	500,000
CLERMONT CNTY OHIO PORT AUTH ECONOMIC DEV SPL O	5.750	50,000.00
HENNEPIN CNTY MINN	3.500	35,000.00
NEW ORLEANS LA	4.400	50,000.00
CMO / MBS PRINCIPAL PAYDOWNS		<u>428,372</u>
TOTAL BONDS		<u>\$ 23,891,372</u>

STOCKS MATURED, CALLED DURING 2022

	SHARES	PROCEEDS
JANUARY		
CIT GROUP ORD	---	606
CIT GROUP ORD	---	1,226
MARCH		
RR DONNELLEY AND SONS ORD	---	433
APRIL		
AT&T ORD	---	\$ 500
JULY		
WESTPAC BANKING ADR REP 1 ORD	---	500
AUGUST		
LINCO, LLC	---	1,500
NOVEMBER		
DIAMOND OFFSHORE DRILLING ESC	---	700.00
STONEMOR INC.	---	700.00
TOTAL STOCKS		<u>\$ 6,165</u>

▲ National Directors

~ Jeanette E. Palanca, Joann A. Skvarek Banvich
Lawrence M. Golofski, Patrick F. Braun, FICF, CLU, LUTCf

Pochváleny bud Pan Ježiš Kristus!

Very Reverend Monsignor, Madam President, National Executives, and all members of the First Catholic Slovak Ladies Association of the United States of America:

We, the four National Directors, are very pleased to present our 2022 Annual Report to you. FCSLA Life, as did most other companies and fraternal societies, found that the Covid pandemic continued to affect the way business was done. The National Directors would like to recognize and commend the National Officers, Directors, Managers, and Home Office staff for their dedication to the Association by keeping the operation going for the benefit of our members! The four National Directors continued our important work by attending all Board and committee meetings and providing our knowledge and insight for the betterment of the Association.

The four National Directors served on various committees during the year, as appointed by the National President. In addition, all four are active in their communities and with the FCSLA Life branches and districts in their areas. These will be recognized in the individual Director reports. As a group, we would like to thank our local branch and district officers for their selfless hard work during the past year. We know that FCSLA Life could not continue without the involvement and work of our local officers!

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INDIVIDUAL REPORTS:

Patrick F. Braun, FICF, CLU, LUTCF

My third year on the FCSLA Life Board of Directors was very interesting and challenging. First and foremost, although the Covid crisis was subsiding, we still were holding some of our meetings remotely. Although this was a time and cost saver, holding in-person meetings is still better in my opinion. Our executive committee meetings continued to be held virtually as did several Board and other committee meetings. In February I attended the FCSLA Life President's Club meeting in San Diego as a qualifier from my 2021 sales production. It was a great experience to be with our sales leaders and I was able to listen to the plans of our President and National Sales Manager as well as the ideas of our agents. Our National Sales Manager also gave a presentation on the new FCSLA Life illustration system which would be used by our producers. I have always felt that getting the perspective of those that sell our products is very important! In that same vein, I attend many of the teleconferences that our National Sales Manager holds to communicate with the sales force.

In May, as president of the Louise Yash (Milwaukee) district, I attended the District President's Meeting. This was an in-person meeting held at a hotel near the Home Office. President Maleski gave us a "state of the society" presentation and shared upcoming plans with us. During the year, our District holds two lunch meetings for the members, one in April and one in December. To plan these meetings, our District Board meets several times during the year and I chair these Board meetings.

In June we held our National Board meeting in Boardman, OH. We attended a special Mass in Youngstown, OH which honored our National Chaplain, the Very Reverend Monsignor Peter M. Polando on his anniversary of becoming a priest.

In July I worked as a cashier at the Slovak Days celebration which was held at Croatian Park in Franksville, Wisconsin. Other members of the Louise Yash Board also worked at the festival in various capacities. Also in July, I attended the tristate St. Anne's celebration in Indiana with other members of our District Board. This event had been paused for two years due to Covid.

Our September Board meeting was held in Independence, OH and I traveled again to Beachwood in December for an in-person final Board meeting of the year at the Home Office. At our Board meetings, we received reports from our senior officers, the President, the National Sales Manager, the National Treasurer and the National Secretary. We spent a great deal of time working on strategic planning with Balanced Growth Consultation this year. We also heard from the Wellington Management company regarding our investments. We agreed to work with them in an effort to improve our bond investment results. In addition, I also served on an ad hoc committee dealing with personnel issues. This involved both in-person as well as virtual meetings.

Because I am actively involved locally in Branch 23 and the Louise Yash District as well as having over fifty two years of selling life insurance and annuities and having the designations of Chartered Life Underwriter, Fraternal Insurance Counselor Fellow and Life Underwriter Training Counsel Fellow, I am unique on the FCSLA Life Board of Directors. I have used my knowledge of the life insurance industry and the sale and marketing of life insurance products to help our officers and Board members understand and

appreciate the importance of our sales force and how FCSLA Life can best support our producers. To do so has been my privilege and I am proud that our members elected me to this important position. I look forward to the coming year with the anticipation that FCSLA Life will continue to be recognized as a leader in the fraternal benefit world. May God bless our officers, our members and our Association!

Joann A. Skvarek Banvich

As a National Director, Joann Skvarek Banvich would, once again, like to thank each and every member of the First Catholic Slovak Ladies Association for allowing her to serve a second term on the National Board of Directors and represent our outstanding fraternal organization. Even during the new year of the ongoing pandemic, Joann participated and voted at all quarterly and special Board meetings as well as participating in various committees and a task force. The Board and committee meetings continued to be held both virtually, using Microsoft Teams, and in-person, ensuring that all Board members could attend. During the Board meetings we not only analyze financial statistics, budgets, and other organizational metrics presented by our managing officers and key members of the Home Office staff, we also review significant old and new business items and reports from outside attorneys, actuaries, auditors, and consultants throughout the year.

This past year, as stated by the bylaws, Joann, as a National Director, served on the Executive Committee which provides strategic direction and oversight of the Association between Board meetings. This committee also reviews and approves investments along with the President and National Treasurer. Joann also continued to participate in a special committee that was reviewing and updating the Board of Directors policy and procedure manual. This committee was able to present several policy revisions to the Board in 2022. Joann is also the Chair of the Board Performance and Review Committee which is one of the Strategic Planning Committees. In September, Joann joined a new committee in preparation for the 2023 convention.

Joann continues to represent the Association at the annual Indiana Slovak Day Festivities which are sponsored in partnership with the Diocese of Gary in Merrillville, Indiana at our Lady of the Czestochowa Shrine and Salvatorian Fathers Monastery. She continues to be an active committee member of this annual event which was paused in 2020 but resumed in 2022. The event is important to preserving and nurturing Slovak culture in Northwest Indiana.

This past year allowed for more face to face participation by the Board and Joann attended the Covid-delayed anniversary celebration of the ordination of our National Chaplain, the Very Reverend Monsignor Peter M. Polando. Again in September, Joann, along with other Board members, attended the 100th Anniversary of the arrival of the Benedictine Monks in Cleveland.

Organized in 1898, the Indiana Fraternal Alliance (formerly known as the Indiana Fraternal Congress) held its 123rd annual meeting in the fall of 2022, in Kokomo, Indiana. Joann represented the FCSLA Life Board of Directors at this event. In addition to attending the workshops, she also participated in the annual President's Project, in touring the Turning Point Recovery Café, a safe inclusive and caring recovery community connecting people through love and purpose. The Turning Point is also constructing an area for short term in-patient detox on their campus. After the

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business meeting, election of officers followed and Joann, as a National Fraternal Board Member, was asked to induct the officers for the IFA.

Educational opportunities were attended by Joann in order to remain current in internal and external insurance, religious and fraternal historical transformative changes. Joann also represented FCSLA Life as a Board Member at the American Fraternal Alliance 2022 Spring Symposium held in Indianapolis, Indiana. Each educational track featured fraternal experts and seasoned insurance professionals who are committed to helping the fraternal system stay strong. One of the sessions attended by Joann was Leadership & Development: Providing Feedback. The expert executive coach presenter shared tools to make these critical conversations easier and result in better performance, less anxiety, and positive interactions.

In her Okres Helen Kocan of Lake County, Indiana and Joliet, Illinois, Joann serves as Vice President of District 6. She attends all District and Branch events and shares important information with attendees. The annual tristate St. Ann's Day Retreat involving Wisconsin, Illinois and Indiana, that had been planned for 2020 and was paused due to the pandemic was finally resumed in July of 2022. This past Christmas, Joann was invited to represent the FCSLA Life Board at the Festive Chicago District Party. She enjoys the opportunity to socialize, meet fellow members, and reconnect with relatives who are members in Illinois.

Joann continues to chair the Immaculate Conception Grotto Society, which was chartered by the Diocese to manage the Grotto which was preserved after the Slovak Church and School were razed a few years ago. She, along with her committee, has also assisted with designing a memorial park to commemorate the former site of the church, convent, and school. This is scheduled to be named and dedicated in the late spring of 2023. Joann is a member and officer of Senior Branch 452 which is affiliated with this campus.

Lawrence M. Golofski

National Director Lawrence M. Golofski began the year 2022 as Chairman of the Property Advisory Committee. The Pandemic continued in 2022 resulting in travel and meeting restrictions. Board and Committee meetings had to be held virtually using technology provided by experts at the FCSLA Life Home Office. The Board of Directors continues to add to their knowledge of Microsoft Teams, allowing them to perform at the high level expected by our membership.

National Director Golofski represents FCSLA Life at the Fraternal Societies of Greater Pittsburgh (FSGP) monthly meetings and events. The FSGP is comprised of fourteen fraternal benefit societies and nine business associated groups representing over one million members. It has been serving Western Pennsylvania for more than seventy years. Ten of the societies have their national headquarters in the Pittsburgh area. This is the most of any city in the United States. In spite of federal and state limitations imposed as a result of the ongoing Covid-19 pandemic, National Director Golofski was able to attend several FSGP meetings and the annual FSGP Fraternalist of the Year Event honoring Joann Blackwell, National Controller of ISDA Financial Life.

National Director Golofski was nominated and elected to serve a two year term as a Director of the Pennsylvania Fraternal

Alliance (PFA). He was named Chairman of the PFA Fraternalist of the Year Committee and a member of the PFA Bylaw Committee. The PFA consists of thirty three member societies or businesses in the State of Pennsylvania. Once again, Covid-19 affected the PFA, forcing the cancellation of the Annual Legislative Luncheon at the Capitol Building in Harrisburg, PA. In October, 2022, the PFA was able to hold their 110th Annual Meeting at Hershey Lodge in Hershey, PA. The meeting provided an educational experience on various subjects: American Fraternal Alliance Structure, Accounting and Financial Recruiting, Cyber Trends, Interest rates, and Long term Care.

National Director Golofski is Senior Branch S013 and Junior Branch J003 President and has organized and participated in Branch Matching Funds events. He has also represented FCSLA Life at the 99th Slovak Day at Kennywood Park and he regularly attends the FCSLA Life Pittsburgh District Meetings.

National Director Golofski is proud to be on the FCSLA Life Board of Directors and is thankful to the members for electing him to this position. He maintains that his foremost goal is to work with the Managing Officers and the other Directors to improve the Association and keep it strong into the future!

Jeanette E. Palanca

The Covid-19 pandemic had a significant impact on our Association's operations in 2020 and 2021 and a milder impact in 2022. As we move into 2023, I am pleased to be submitting my report as a National Director.

In 2022, our organization was able to resume pre-pandemic operations with safety protocols in place to protect our employees and customers. We continued to offer essential services and coverage to our members and prospective members and our employees shifted to a modified work schedule. Between safety protocols and schedule changes, our employees adapted quickly and are the unsung heroes of our organization! From my perspective, it was truly a gift to be able to get back mostly to business as usual.

Our year began with our first quarterly meeting in person, as did all quarterly Board meetings for 2022. Executive Committee meetings were mixed with in-person and virtual attendees; the virtual option removed unnecessary travel when it was prudent. In June, we were honored to attend the celebration of the Very Reverend Monsignor Peter M. Polando's 42nd Anniversary of Ordination the day before our quarterly meeting. It was a beautiful and blessed event with so many of Monsignor's colleagues, parishioners, family, and friends in attendance. Our September quarterly meeting coincided with the 100th anniversary celebration of St. Andrew Abbey in Cleveland. St Andrew Abby has been a partner to the national office for as long as I can remember and it was only fitting that we celebrated with them in Mass and dinner.

In terms of performance, our Association continued to maintain profitability, while also adding to our technology and infrastructure; these changes will allow us to be more agile and responsive to market changes. We will continue to make more improvements in 2023. We also pivoted quickly as needed. Twenty five years ago our annuity rates were stable and only required attention now and then. However, now the market frequently changes and competition has become more aggressive so the need for constant review and adjustment is critical to our success in the marketplace. Likewise, as technology continues to improve and competitors evolve with

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that technology, so must FCSLA Life! We, as a Board, have spent many hours in 2022 creating and detailing what is important for us to succeed in the future and we are pushing for an aggressive strategic plan over the next ten years. This will take considerable time and attention but I believe we must not take our foot off the gas pedal or we risk becoming irrelevant to new generations.

However, we can only do so much as a Board between conventions. **This is where I ask for your help!** We need to modernize our bylaws so that our organization can take swift action when new challenges like strategic initiatives, unanticipated market conditions and acts of nature such as Covid-19 arise. The Board of Directors is planning to present some bylaw changes at the 2023 Convention, just as any member can do. I ask that members urge their delegates to keep an open mind to these changes, Ask questions. Research before the convention. Be prepared! There is no doubt that a new set of challenges will be added each year in our current economic condition but our bylaw structure is crafted with market conditions and the industry's best practices relative to the early 1900s. We must follow our competitors and adopt some key changes so that we can lead our smaller competitors who model our organization.

Finally, I am happy to say that the regional Anna Hurban Chicago District is back to normal operation as well. As a member of the Chicago District Board of Directors, we had our inaugural Chicago District picnic, the largest Junior District Christmas Party our district has ever had, and a resoundingly successful Senior Christmas Party. All of these events were extremely rewarding as our members were able to celebrate together after two years of distancing. My hope is that all Branches and Districts will continue to grow in fraternalism in 2023!

Submitted with respect and prayer, **Jeanette E. Palanca**

As we move into 2023, we, your National Directors, feel that it is a privilege and honor to serve our members. We wish to thank our managing officers and especially our employees for the great effort put forth to bring us through the crisis of the pandemic. It was a real test of the Association's ability to survive a crisis and come out stronger than ever! As we look ahead there will be more and possibly even greater challenges and we must continually plan to make necessary changes to meet these challenges! Your National Directors thank our members for their support!

▲ National Trustees

~ Suzanne V. Strohl and Sue Ann M. Seich

Pozrite sa, aké dobré a príjemné je, keď rodiny
žijú spolu ako jeden. (Žalm 133:1)

Look at how good and pleasing it is when families
live together as one. (Psalm 133:1)

National Chaplain, National President, National Officers and
Members of First Catholic Slovak Ladies Association

In 2021 and 2022, Pope Francis declared the Year of Saint Joseph and the Year of The Family. In addition, Pope Francis dedicated 2022 to the Mother of God. FCSLA Life is a family. We look at each FCSLA Life member as a part of our family. We would like to thank each of you for your dedication to our organization. Your love and commitment to FCSLA Life is shown through your

efforts in continuing to provide great products and services to current and future members of our organization. This commitment is a commitment to our vision and mission. For that, we want to thank and commend our home office managers, employees, and FCSLA Life members for their arduous efforts in maintaining some semblance of normalcy and success during these stressful and demanding post pandemic times.

2022 was another very challenging year for us as your elected trustees. We transitioned from full pandemic mode to a cautious post pandemic way of working and living. We continued to trudge through a few snow, sleet, and rainstorms to accomplish several scheduled visits to the home office to complete a 100% review of all the 2022 vouchers. Throughout 2022, we worked diligently and in collaboration with the National Auditors to ensure the money you entrusted to the organization was invested and spent appropriately. We want to thank the home office staff for accommodating us and being available to answer our many questions. Rest assured your Association is in good hands and all necessary expenses were paid with documentation attached.

As FCSLA Life continues to grow, the Board Of Directors approved the hiring of Wellington Management Company to assist in the investment and growth of our assets. The National Trustees would like to thank the National Treasurer and his staff for working to meet this organizational goal. As members of the Executive Committee, we worked with our National Treasurer, National President, and Wellington Management Company to approve the purchase of bonds that are critical in ensuring organizational financial stability for our members who have invested in FCSLA Life products. This year continued to be more challenging than previous years in identifying investment bonds because of the fluctuation in the markets and the fluctuation of bond risk ratings of companies due to the pandemic.

Throughout the year, we attended quarterly meetings for both the Executive Committee and the Board Of Directors. Executive Committee meetings and Board Of Directors meetings were held either in person, virtually, or a combination of the two venues. Technology continued to be a lifeline to getting work done but it had and continues to have its many frustrating and painful moments.

At every board meeting, we discussed FCSLA Life's Strategic Plan and reports from our National President, National Secretary, and National Treasurer. We also received a report from our National Sales Manager on FCSLA Life product sales. In addition, and as needed, your National Trustees were actively involved in numerous Strategic Planning Committees and Ad-Hoc meetings. These meetings were attended either in person, virtually, or a combination of the two venues.

In 2022, we continued to focus heavily on the development with Balanced Growth Consultation on FCSLA Life's long range Strategic Plan. We finalized the strategic objects for our four strategic domains: financial, membership and fraternal, operations and technology, and governance and organization.

In addition, we continued our work on updating the Board Of Directors' *Policies and Procedures Manual* which is designed to enhance and specify board members' responsibilities in their positions. The manual also states realistic guidelines for board members to refer to and abide by during their tenure as a board member. The manual is a living document and needs regular updates and clarifications. This committee is chaired by National President Cynthia Maleski. Members of this committee worked

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continuously in developing board policies, procedures, and duties. They worked with the assistance of others in specific areas where authority may help with clarification.

Both of your National Trustees served and continue to serve on several Strategic Planning Committees of the Board. We serve on the Philanthropic and Scholarship Committee. This committee is chaired by National Auditor Dorothy Urbanowicz. We met several times during the year to discuss changes to our Scholarship Program. We also discussed where and how philanthropic donations can best assist our membership. All changes or suggestions recommended by the committee are brought to the entire Board Of Directors for approval and execution.

In October 2022, The Board Of Directors (BOD) established the BOD Cultural Oversight Committee. This is a new committee chaired by National Auditor Barbara Sekerak. Both of your National Trustees serve on this committee as well as National Director Jeanette Palanca. The purpose of this committee is to evaluate the organizational culture from the Board and employee perspective so all vested parties can help build and maintain a positive and consistent business culture. In December, the committee released a culture survey to the Board Of Directors and one to all FCSLA Life employees. Evaluation of the survey data will occur in 2023.

Sue Ann also serves on the Strategic Relations Committee as chair. The committee met once last year and will schedule meetings when certain relationships with other fraternal organizations are presented.

Suzanne serves on the Board Performance and Review Committee. This committee is chaired by National Director Joann Skvarek Banvich. Topics being addressed by the committee include board development and training, conduct, performance, ethics and finances, travel, strategic planning goals, self-assessments, and self-assessment tools.

We have also attended many conference calls and meetings set up by the American Fraternal Alliance on various topics that will benefit our Association in the current fraternal insurance market. In addition, we continue to be active in our Districts and Branches and their ongoing activities – both live and virtual.

YEAR OF 2022

This report is being submitted with gratitude to the Convention Delegates for electing us as your National Trustees. We have worked together to make you proud as we take our responsibilities very seriously. As fraternal organizations do, our commitment to FCSLA Life and its members has helped us build a bond of friendship and respect that continues to grow as we work closely together to meet the needs of FCSLA Life. The reputation of our Association and the fraternal care of our membership are most evident in the way we represent you. We look forward to 2023 with the challenges it brings.

We pray that God will watch over all of you and your families filling your lives with love, laughter, and happiness while keeping you safe and healthy!

Respectfully submitted,
Suzanne V. Strohl
Sue Ann M. Seich

▲ National Auditors & Audit Committee

~ Dennis L. Povondra, Barbara A. Sekerak
Dorothy L. Urbanowicz

Reverend Monsignor Polando, Madam President Maleski, National Officers and Members of First Catholic Slovak Ladies Association – FCSLA Life

Požehnaný Ježíš Kristus!
Blessed be Jesus Christ!

The FCSLA National Auditors conducted the two required internal audits of the Association in May and October of 2022. The Association's records were found to be in order and reported to the Board of Directors at the 2022 meetings of June and December. The National Auditors would like to thank the hard-working staff at the Home Office for maintaining accurate records and safeguarding the assets of our organization and for their cooperation in assisting us during these two tasks.

The Audit Committee receives a monthly call summary report from Security Voice Ethics Hotline, a national toll free telephone monitoring service. The service anonymously allows anyone to report any suspicious information of wrongdoing, unethical or illegal acts or other forms of loss which could affect the association's operation, properties, or employees. The number to call if suspicions arise is 800-325-4381.

In May 2022 the National Audit Committee met with representatives for the current Certified Public Accounting firm for the Association of H2R of Pittsburg, PA, and discussed by conference call to review the firm's findings of their annual outside audit. The firm noted that there is an opportunity for strengthening internal controls and operating efficiency; otherwise, all records were found to be in accordance with auditing standards generally accepted in the United States of America for fraternal insurance organizations.

Representing the First Catholic Slovak Ladies Association is an honor and privilege for the National Auditors. We have attended and participated in National and State Fraternal seminars and meetings. We also participate in district and branch activities and celebrations which provide us the opportunities to interact with many of our members. We also serve on numerous committees within the association.

It is our privilege and honor to serve you, our members, as National Auditors and Audit Committee of the First Catholic Slovak Ladies Association and we look forward to the continued success and growth of our organization.

Submitted by:
Dennis L. Povondra
Barbara A. Sekerak
Dorothy L. Urbanowicz



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Facebook
FCSLA Life

FCSLA Life 2022 S156 Struthers, Ohio Christmas Party

The Branch S156 held their annual Christmas party at Rachels Restaurant in Austintown, OH. The venue was set with white linen tablecloths and napkins with poinsettias centerpieces accompanied by bowls of Christmas candy.

A special "thank you" to Leah Hunter for helping decorate the tables. The menu included chicken francese, white fish, pasta with meatballs, mashed potatoes, green beans with almonds, tossed salads, rolls, and drinks.

Homemade pies were served for dessert. They were made by our members: Ann Schur, Jennie Joan, Carolyn Tomocheck, Judy Farmer, Brenda Henderson, Ashlee Hull, Patti Granchay, and Barbra Novanty. We thank you for mak-

ing them, they were delicious. A 50/50 raffle was held and won by Linda Flores. It included a Christmas wreath made by Ann Schur. There were many door prizes, a gift from the home office, and a Christmas gift to everyone from the branch. The President of District 2 (Youngstown, OH) Mrs. Bernie Demechko and her husband Ed were our guests. A special "thank you" to Taylor Hall for taking pictures, to Hannah Clavin and Carolyn and Jim Tomocheck who provided transportation for President Patti Granchay to buy the gifts for the party, and everyone else who helped in anyway make the party successful. Everyone had a great time.



FCSLA Life Branch S319 & Branch J187

ALLENTOWN, PA

7th ANNUAL BASEBALL OUTING

SATURDAY, JUNE 17, 2023



IronPigs versus Toledo Mud Hens



**Where: Coca Cola Park
Allentown, PA**

Gates open at 5:15 p.m. ~ Game Begins at 6:35 p.m.

Free for Members ~ Non Members \$37.00

Includes Free Parking • Seating in The Oasis

Buffet & Soft Drinks Included • Free T-Shirt Giveaway ~ Fireworks

Call Michele Mrazik Grasso 610-762-1973 for more information.

Space is Limited! Call today – R.S.V.P. by May 31, 2023

Minors must be accompanied by adult or legal guardian.

The FCSLA Life

Guaranteed Issue Life Insurance Program Is Now Available

APRIL 1, 2023 – SEPTEMBER 30, 2023

Don't miss this opportunity to get a life insurance policy, GUARANTEED!

FCSLA Life, a fraternal benefit society with an A- (Excellent) rating from A.M. Best, offers this program to YOU, our loyal and dedicated member, to say THANK YOU and provide you with an easy way to better meet the rising costs of final expenses.



If you received an offer letter by mail, you are eligible for this program, which features:



- **Automatic pre-approval • NO health questions • NO medical exam**
- **NO extra premiums or hidden costs • GUARANTEED acceptance (you can't be turned down)**

This offer provides life insurance with NO EXTRA PREMIUM due to medical conditions. There are no future premiums and your life insurance will never decrease in value if you do not access the cash value (for example, by taking a loan).

Just complete the simple application you received by mail, indicate your choice of the amount of life insurance, and return it in the envelope with your premium check. That's it! There are no health questions and no medical exams. You cannot be turned down for any medical reason. Acceptance of this offer does not alter your existing coverage.

If you have not had a chance to participate in the past, please consider taking advantage of this offer now. It is an opportunity for you to purchase life insurance in an easy, affordable way.

If you are not interested in this offer, no action is needed. Questions regarding this offer should be directed to the New Business Department at 800-464-4642, ext. 1062 or by emailing Underwriting@fcsla.com.

Branch W056 Silver Sponsor for Golf Outing



Paul Jirik, Vice President of Branch W056 in Lonsdale, MN participated in the 6th Annual Alumni & Community Golf Outing for Holy Cross Catholic School (Webster, MN). Branch W056 was a Silver Sponsor. Paul golfed with parents of a student at Holy Cross.

J066 and J231 Members Receives Monetary Gift from Branch J066

FCSLA Life J066 (Struthers, OH) mailed out 110 Christmas Cards with a monetary gift to members including those from J231. The feedback is always positive and the branch receives numerous thank you cards from the members, and they appreciate it so much more than simply having a party for a few local members. Special thanks to Nicki Beil for her help with this project.



Branch W093 Czech Days

June 4 – Czech Days Float Assembly in Joyce Sestak's Shop, 1:30 p.m. Need volunteers.

June 16-17 – Czech Days in Tabor, SD. Volunteers needed.

Any questions call Secretary Joyce Sestak at 605-463-2268.

"Pay-for-Play" Charity Event in Danville, PA

St. Cyril Academy Preschool and Kindergarten in Danville recently held their annual "Pay-for-Play" charity event. This year's local choice was The Good Samaritan Mission in Danville, PA. Parents and friends of the students donated \$2,500 to help Good Samaritan Mission serve local needy families. Over the years, the children have raised thousands of dollars to aid local organizations such as Danville SPCA, EOS Therapeutic Riding Center, Montour Preserve (MARC), Danville Playground, GMC Miracle Network, and national organizations including St. Jude's Hospital, Covenant House, and Heifer International. The school's motto is, "Enter to Learn, Leave to Serve" and students are encouraged to help those in need.



FCSLA Annuity Rates

Rates for our deferred Elite Annuities:

SILVER ELITE (5 YEAR)
3.20% APY*

GOLD ELITE (7 YEAR)
3.25% APY*

PLATINUM ELITE (10 YEAR)
3.35% APY*

***These rate are effective 4/1/2023**

The credited rate is reviewed at least quarterly by the Board of Directors and will never go below the minimum guaranteed contract rate.

The Guaranteed minimum rates for the three products listed above issued on January 1, 2023, or later will be 3.00%.



Who Wants Cake?

PINEAPPLE UPSIDE-DOWN CAKE

½ cup butter, melted
¾ cup packed brown sugar
1 can (20 ounces) sliced pineapple
½ cup chopped pecans
3 large eggs, separated, room temperature
1 cup sugar
1 teaspoon vanilla extract
1 cup all-purpose flour
1 teaspoon baking powder
¼ teaspoon salt
9 maraschino cherries
Whipped topping, optional

Preheat oven to 375 degrees. In an ungreased 9-in. square baking pan, combine butter and brown sugar. Drain pineapple, reserving ½ cup juice. Arrange 9 pineapple slices in a single layer over sugar (refrigerate any remaining slices for another use). Sprinkle pecans over pineapple; set aside.

In a large bowl, beat egg yolks until thick and lemon-colored. Gradually add sugar, beating well. Blend in vanilla and reserved pineapple juice. Combine flour, baking powder and salt; add to batter, beating well.

In a small bowl with clean beaters, beat egg whites on high speed until stiff peaks form; fold into batter. Spoon into pan.

Bake 30-35 minutes or until a toothpick inserted in center comes out clean. Let stand 10 minutes before inverting onto serving plate. Place a cherry in the center of each pineapple slice. If desired, serve with whipped topping.

MAGIC 3 LAYER CAKE

4 eggs at room temperature
¾ cup sugar
8 tablespoons butter unsalted and melted
1 teaspoon vanilla extract
¾ cup all-purpose flour
2 cups milk lukewarm
powdered sugar for dusting

Preheat oven to 325 degrees.

Grease an 8" x 8" baking dish or line it with parchment paper.

Separate the eggs and beat the egg yolks with the sugar until light and fluffy.

Add butter and vanilla extract and continue beating for another minute or two until well incorporated.

Add the flour and mix until the batter is smooth and well combined.

Slowly start adding the milk and beat until everything is well mixed together.

Add the egg whites to a mixer and mix until stiff peaks form.

Gently fold the beaten egg whites into the batter until well combined. Another variation to folding in the egg whites would be to whisk them in to the cake batter, this is a lot faster and easier. Make sure you don't fold the egg whites in completely, you still want to see some of the white bits floating at the top.

Pour batter into baking dish and transfer it to the preheated oven. Bake for 40 to 70 minutes or until the top is lightly golden. The baking time could vary greatly depending on the oven, so take a peek at around 40 minutes and see how it looks.

Sprinkle some powdered sugar after cake has cooled. Cut it into squares and serve.

GOOEY OOEY BUTTER CAKE

1 package yellow cake mix
2 eggs room temperature
1 teaspoon vanilla extract
½ cup, melted

Filling:

1 package 8 ounces cream cheese, room temperature
2 eggs
1 teaspoon vanilla
½ cup butter melted
4 cups confectioners sugar

Preheat oven to 350 degrees.

In a bowl, add cake mix, egg and ½ cup of melted butter. Mix well with an electric mixer. Pat the mixture into the bottom of a lightly greased 9" x13" baking pan.

In another large bowl, beat the cream cheese until smooth. Add the eggs, vanilla and 8 tablespoons butter and beat together until combined well.

Next, add the powdered sugar and mix well until light and fluffy.

Spread the cream cheese mixture over the cake mix crust layer.

Bake for 40 to 50 minutes. Do not over-bake. It will be a little "goosey" in the center.

BEST EVER CAKE

1 box Devils Food cake mix
plus ingredients to make the cake
14 oz. sweetened condensed milk
12 oz. caramel sauce
8 oz. frozen whipped topping thawed
½ cup Heath brand toffee bits

Prepare and bake the cake according to the package directions.

Use the end of a wooden spoon to poke holes all over the cake. They should go most of the way through, but not all the way.

Pour sweetened condensed milk over the cake, making sure to get it in the holes.

Pour caramel sauce over the cake, making sure to get it in the holes.

Cover and refrigerate at least 2 hours.

Top with whipped topping and toffee bits. Slice and serve!

FLOURLESS CHOCOLATE CAKE

¾ cup white sugar
½ cup water
¼ teaspoon salt
18 (1 ounce) squares bittersweet chocolate
1 cup unsalted butter
6 eggs, room temperature

Preheat the oven to 300 degrees. Grease a 10-inch round cake pan; set aside.

Combine sugar, water, and salt in a small saucepan over medium heat. Stir until completely dissolved; set aside.

Melt bittersweet chocolate in a microwave-safe glass or ceramic bowl in 15-second intervals, stirring after each interval, 1 to 3 minutes. Pour chocolate into the bowl of an electric mixer.

Cut butter into pieces; beat butter, one piece at a time, into chocolate until combined. Beat in hot sugar water. Slowly beat in eggs, one at a time.

Pour batter into the prepared cake pan. Have a pan larger than the cake pan ready; put the cake pan in the larger pan and fill the larger pan with boiling water halfway up the sides of the cake pan.

Bake cake in the water bath in the preheated oven for 45 minutes. The center will still look wet. Place cake in the refrigerator until thoroughly chilled, 8 hours to overnight.

To unmold, dip the bottom of the cake pan in hot water for 10 seconds and invert onto a serving plate.





PERIODICAL

5/23

The FCSLA Life Mission Statement

We provide financial security to our members
while embracing our Catholic values and Slavic traditions.

The FCSLA Life Vision is to:

Be a Premier Fraternal Benefit Society
that offers quality financial products and benefits.