

Financial Review

Fourth Fiscal Quarter 2020

July 1 – September 30, 2020



Corporate Officers

(Pictured left to right)

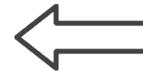
Bob Frizzle, CFO

Randy Karnes, CEO

Geoff Johnson, COO/President



On the Back



Have You Read the Latest CUSO Magazine Articles?

Board of Directors

Press Play

Inside



Income Statement

Balance Sheet

Numbers Snapshot

A Message from the CEO

Special Edition! Generally, when we're getting ready to publish one of our bi-annual Report to Owners, we skip sending this quarterly Financial Review newsletter for that quarter-end. However, 2020 has been one of those years where maybe the exclamation point needs to be added more than once: The year is over!

The first exclamation point is that 2020 was a great year from a financial standpoint, and even more rewarding from the perspective of how we saw teams rally, how we enjoyed creative and fun collaboration, and for all the moments of pride as I saw people step up. I saw this not only at CU*Answers, but also across our entire network and extended stakeholders. Take a look at the numbers, then consider our trends, and you can predict that our payout to owners for 2020 will make you smile in December.

The second exclamation point is that 2020 was our 50th anniversary. While it didn't come with all the

trappings of a well-celebrated moment in time, it did point out our responsibilities to the future and the things we should rally around for the next set of anniversaries.

So I'm announcing that in next year's quarterly Financial Review newsletters, the CU*Answers Board Chair will start adding his quarterly comments to mine. This will be a new column to tout our community's execution and our mutual goals and expectations that are at the heart of everything we do. (Apparently, Scott has been reading these columns over the past few years and thinks we should bring back some more decorum and better business thinking to the content. I'm up for the challenge, and I hope that you will be entertained by the back and forth.)

In all seriousness, I look forward to our chairman rallying us to the work we'll do as the CU*Answers

Continued on back

Key Dates

November 5

Quarterly Collections Roundtable

<https://www.cuanswers.com/resources/edu/courses/syllabi/?course=SE.51W>

51W

November 9

Analytics Booth Client Release Training

<https://www.cuanswers.com/resources/edu/courses/syllabi/?course=AB%2020.11>

11

November 10-12

CEO Strategies Week 2020

<https://www.cuanswers.com/events/ceo-strat/ceo-strategies-week-2020/>

2020/



Income Statement

	YTD September 2020	Budget YTD
Income/Revenue		
Total CU*BASE Revenue	48,403,879	48,364,302
Total CNS/iSeries Revenue	9,525,297	9,094,462
Total External Business Revenue	4,665,086	4,551,608
Total Sales	62,594,262	62,010,372
Total Cost of Goods Sold	16,564,460	15,802,801
Gross Margin/Income	46,029,802	46,207,571
Expenses		
Total Employee Expenses	27,960,241	27,804,374
Total Non-Employee Expenses	9,510,709	10,287,167
Total Operating Expenses	37,470,950	38,091,540
Total Other Expenses	(311,871)	(95,550)
Gross Expenses	37,159,079	37,995,990
Net Income <i>(before taxes and dividends)</i>	8,870,723	8,211,581

Stock Value

The book value of Class A ownership shares as of 9/30/19 is \$151,608.
Ownership shares sell at \$330,000 or 2.18 times the book value.

Balance Sheet



Current Month
September 2020

Assets

Total Cash/On-Demand Deposits	26,617,692
Total Investments	615,709
Total Accounts Receivable	940,616
Total Pre-Paid Assets	4,164,244
Total Fixed Assets	7,661,704
Total Other Assets	5,693,421
Total Assets	45,693,386

Liabilities & Equity

Total Short-Term Liabilities	14,848,345
Total Long-Term Liabilities	7,495,739
Total Liabilities	22,344,084
Total Equity	23,349,302
Total Liabilities & Equity	45,693,386

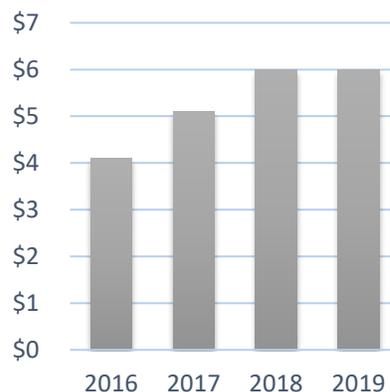
Numbers Snapshot

(Numbers in millions)

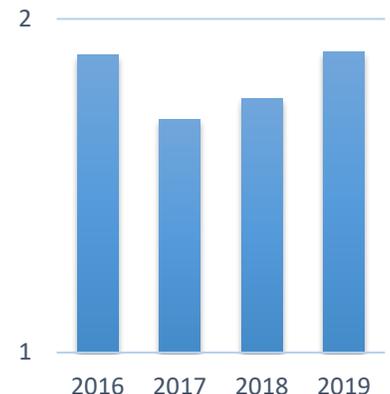
Net Income



Dividends Paid



Members Served



"2020 was a great year from a financial standpoint, and even more rewarding from the perspective of how we saw teams rally, how we enjoyed creative and fun collaboration, and for all the moments of pride as I saw people step up."

Randy Karnes, CEO

Continued from cover

Board works to select a new CEO in the early months of the 2022 business year. Take care.



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Rethinking Traditional Operations Management at the Core by Emily Claus, CUSO Magazine Editor

Five Keys to Good Customer Service by Morgan VanEnk, Client Services and Education

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Press Play



Check out our latest video at:
<https://ondemand.cuanswers.com/select-records-query-screen/>

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