



# Financial Review

First Fiscal Quarter 2022

October 1 – December 31, 2021

## Corporate Leaders



(Pictured left to right)

Geoff Johnson, CU\*Answers CEO

Scott McFarland, CU\*Answers Board Chair,  
CEO of Honor Credit Union

## On the Back



Board of Directors

Press Play

## Inside



Income Statement

Balance Sheet

Numbers Snapshot

## A Message from CEO Geoff Johnson

As I begin the day in the office, it's nice to see some snow on the ground here in Michigan. I hope the weather is pleasant in your part of the country, whether you prefer a snowy winter or warmer more temperate conditions.

2021 calendar year-end saw CU\*Answers pay out strong returns to our owners. We were also able to deliver a special one-time investment payout based on the sale of Payveris.

It may be hard to believe, but the first quarter of our fiscal 2022 is already wrapped – wow! I am pleased to announce that six new owners have joined your cooperative in the month of December (which is a record). I would like to extend a warm welcome to all of our new owners from the class of 2021. You are part of a powerful and truly unique collaborative community. Please engage and take advantage of all that the network has to offer you.

2022 is moving along at a strong clip and we have several new and exciting things on the horizon that I look forward to sharing with you at Leadership as we continue to grow the network and the number of credit unions across the continental US and beyond.



We are currently in the process of planning our June Leadership Conference. This year's event will place the spotlight on *Our Next Adventure* as a cooperative. I'm looking forward to having a

*Continued on back*

## A Message from Board Chair Scott McFarland



Believe... do we?

That's a question that I think we need to challenge ourselves with each day. You may be reading this as a credit union executive, manager, front line or volunteer board or committee member. Do you believe?

Every single credit union started with a belief that they could do better for their members than the other financial institutions or loan sharks. Credit unions started in lunchboxes and lockers to serve each other. That same drive is still needed today. Our members do not care about asset size, titles or member counts, they just care that we care and that we continue to support them.

The financials of our CUSO continue to be strong because we believe that we are stronger together. The forces in the market continue to challenge us, from our own regulators to FinTechs and the constant barrage of banks in our markets. We can complain, whine and whimper, or we can BELIEVE that we can be a unique, member-owned solution for those we serve. Do we believe that we are that solution to our members, or are we too busy evaluating peers, checking boxes and just being 'good enough?' What if our founders, the teachers, miners, paper workers, truckers, shop workers, police officers and many

*Continued on back*

# Key Dates

March 23

## Member Services Training Day

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

March 28

## The Future of NSF/ANR Fees

<https://www.cuanswers.com/resources/edu/courses/syllabi/?course=SE.2022.24>

March 29

## Xpress Teller – a Roundtable Discussion on Innovation at the Point of Service

<https://www.cuanswers.com/resources/edu/courses/syllabi/?course=SE.2022.01>



# Income Statement

	YTD December 2021	Budget YTD
<b>Income/Revenue</b>		
Total CU*BASE Revenue	12,442,498	11,972,216
Total CNS/iSeries Revenue	2,810,909	2,689,195
Total External Business Revenue	1,837,392	1,379,686
Total Sales	17,090,799	16,041,097
Total Cost of Goods Sold	4,359,239	4,125,326
<b>Gross Margin/Income</b>	<b>12,731,559</b>	<b>11,915,771</b>
<b>Expenses</b>		
Total Employee Expenses	7,690,749	7,480,366
Total Non-Employee Expenses	2,455,232	2,661,434
Total Operating Expenses	10,145,981	10,141,801
Total Other Expenses	(7,216)	-
<b>Gross Expenses</b>	<b>10,138,766</b>	<b>10,141,801</b>
<b>Net Income</b> <i>(before taxes and dividends)</i>	<b>2,592,794</b>	<b>1,773,970</b>

## Stock Value

The book value of Class A ownership shares as of 9/30/21 is \$182,532.57.  
Ownership shares sell at \$397,000 or 2.17 times the book value.

# Balance Sheet



**Current Month**  
December 2021

## Assets

Total Cash/On-Demand Deposits	23,399,096
Total Investments	617,689
Total Accounts Receivable	1,237,842
Total Pre-Paid Assets	2,996,251
Total Fixed Assets	7,476,291
Total Other Assets	8,023,975
<b>Total Assets</b>	<b>43,751,144</b>

## Liabilities & Equity

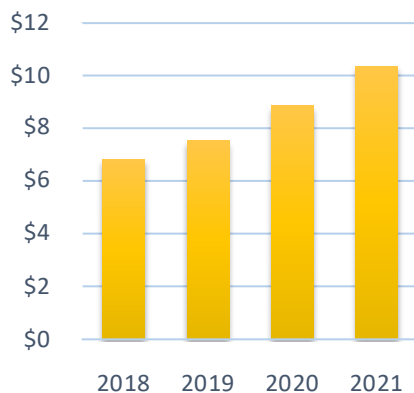
Total Short-Term Liabilities	13,186,536
Total Long-Term Liabilities	1,296,312
Total Liabilities	14,482,848
Total Equity	29,268,296
<b>Total Liabilities &amp; Equity</b>	<b>43,751,144</b>



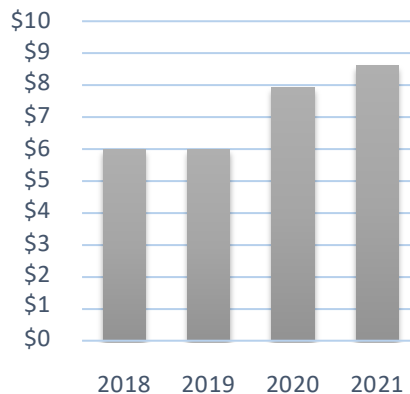
## Numbers Snapshot

*(Numbers in millions)*

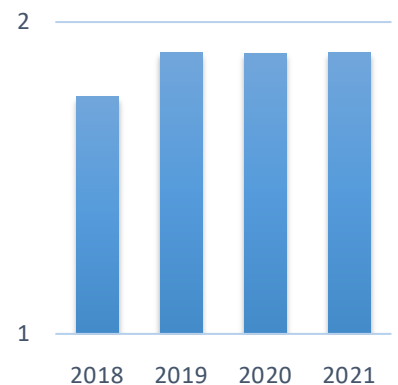
**Net Income**



**Dividends Paid**



**Members Served**



broad group of CU\*Answers team members take to the stage and share with you the developments they have been hard at work on. This year’s Leadership Conference will have a slightly different format than in years prior, but I’m certain you will leave with the same great takeaways that you’ve come to expect. And of course, I look forward to sitting down with our stockholders for our annual meeting.

I invite you to visit our website for additional information on the 2022 Leadership Conference. Don’t forget to keep an eye on your inbox this spring as we begin to roll out announcements – these will include details on event registration and accommodations, as well as our annual golf outing.

Additionally, we are preparing for the mid-year budget revision, which will occur in April. Things are looking strong for the cooperative and I am excited about what lies ahead for us. I’d like to extend my thanks to the 285 team members at CU\*Answers, who bring a cumulative 2,124 years of service to the cooperative – those are some impressive numbers!

As always, I appreciate your continued partnership. If you have any questions, please don’t hesitate to reach out.

Make it a great day!

P.S. - if you are looking for the best way to keep up as a CEO with things happening at CU\*Answers, check out my “Two for Tuesdays” videos for a quick weekly update of happenings across the network.

others had stopped BELIEVING when the competition got tough or when challenges arose?

I have always loved the passion in the cooperative movement. I love the drive to be the best and frankly I find myself sad and frustrated when others are willing to settle for ‘good enough.’ I know that ‘good enough’ is not a sustainable model; rather it is one that will guarantee failure, both professionally and personally. All of us need to push each other, our owned CUSOs and other partners to be better every day. When someone says it’s too hard, that presents an even better reason to go after it. Will it always end in success? Nope, but we cannot win a game by sitting on the sidelines.

The new financial year for CU\*Answers started on October 1<sup>st</sup> – one quarter is under our belts and it has been a strong start. How have each of us started our year? Let’s commit to not simply being ‘good enough’ in 2022.

I have enjoyed watching the show *Ted Lasso*. The “Believe” sign in this article is from the show, as seen in the Richmond locker room. One of the many quotes from the head coach of the Richmond Soccer Club is:

*“As a man once said, the harder you work, the luckier you get.”*

Let’s keep working hard and BELIEVING for each other, our members and the communities we serve.



## Board of Directors

### Chair

**Scott McFarland**  
Honor Credit Union  
St. Joseph, Michigan

### Vice Chair

**Vickie Schmitzer**  
Frankenmuth Credit Union  
Frankenmuth, Michigan

### Secretary/Treasurer

**Linda Bodie**  
Element Federal Credit Union  
Charleston, West Virginia

## Board Members

### Tom Gryp

Notre Dame Federal Credit Union  
Notre Dame, Indiana

### Jeff Jorgensen

Bluestone Federal Credit Union  
Sioux Falls, South Dakota

### Dean Wilson

FOCUS Credit Union  
Wauwatosa, Wisconsin

### Kris Lewis

Allegan Community Credit Union  
Allegan, Michigan

## Associate Board Members

### Bill Burke

Day Air Credit Union  
Dayton, Ohio

### Carolyn Mikesell

Public Service Credit Union  
Fort Wayne, Indiana



## Press Play

Check out our latest video at:

<https://ondemand.cuanswers.com/people-behind-the-brands-matt-sawtell/>