



Financial Review

Fourth Fiscal Quarter 2022

July 1 – September 30, 2022

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

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2022 was a good year for the network, for our credit unions and for so many of our team members who have been getting back to their normal lives following the events of the past couple of years.

Our conversion calendar saw an all-time high and we are thrilled to welcome so many new credit unions into the network. Our footprint continues to expand as we are joined by new partners from the East Coast, the West Coast, the Hawaiian Islands, and a half-dozen credit unions located in the Upper Peninsula of Michigan.

A lot of great foundational work was completed in 2022 and several exciting projects will be wrapping up as we close out the calendar year. Meanwhile, other projects will continue to be worked on throughout 2023.



CU*Answers Collaboration Groups

If you joined us for this year's CEO Strategies event, you had the opportunity to get caught up with our 'top 10' goals for the coming year. If you were unable to attend, I invite you to check out our new *Conversations On...* initiative. [Learn more by visiting the CU*Answers website!](#)

The 2022 Return to Owners will once again be strong. We will have final details ready in early December and, as usual, the patronage checks will be mailed out during the final week of that month.

I'd like to extend a welcome to Linda Bodie as our new Board Chair. Linda will be serving alongside fellow Board members Vicki

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A Message from Board Chair Scott McFarland

Finish strong – that is exactly what our network did this year. CU*Answers has continued to finish strong for our owners and the credit unions we serve. The year saw numerous enhancements, improvements, and expansions to the network that should be celebrated. All of the partner CUSOs had an opportunity to come together like we do every five years, to share ideas and strategize for the future. The power of the network was on full display and the commitment to drive things forward will be essential for future success.

While CU*Answer's new fiscal year is well underway, many of our credit unions are getting ready to close out 2022 – and what a year it has been! We have been reintroduced to inflation, the need for deposits again (hello to CD specials for the first time in many years) and mortgage rates that are... well, higher than many have seen in quite a long time. These, coupled with the continued challenge many institutions face in acquiring and keeping staff, has made for a unique year overall. But in the end, these are just part of the changes and cycles that we all must deal with in business, while we continue striving to take care of our members each and every day.

I am happy to say that it has been a great ride. When I take on a challenge, I like to win – in the pursuit of achieving a win, I feel the drive to finish strong. I'm humbled to have the opportunity to work with a great team at CU*Answers and even more blessed to collaborate with a great Board for this network. I consider them my peers, my accountability partners, and my friends. Over the last several years, they were willing to put their trust in me and elect me the chair of the CU*Answers

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Key Dates

December 22

Teller Training Day

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

January 13

Monitoring Abnormal Activity

<https://www.cuanswers.com/resources/edu/university-weeks/>

January 17

Meet Servicer Edition!

<https://www.cuanswers.com/resources/edu/courses/syllabi/?course=SE.2022.45>



Income Statement

	YTD September 2022	Budget YTD
Income/Revenue		
Total CU*BASE Revenue	49,284,295	48,932,913
Total CNS/iSeries Revenue	10,551,651	9,992,272
Total External Business Revenue	7,258,181	6,547,682
Total Sales	67,094,127	65,472,866
Total Cost of Goods Sold	17,074,861	16,283,705
Gross Margin/Income	50,019,266	49,189,161
Expenses		
Total Employee Expenses	30,817,182	30,986,829
Total Non-Employee Expenses	10,488,587	10,556,314
Total Operating Expenses	41,305,769	41,543,143
Total Other Expenses	(215,396)	(438,071)
Gross Expenses	41,090,373	41,105,072
Net Income <i>(before taxes and dividends)</i>	8,928,893	8,084,089

Stock Value

The book value of Class A ownership shares as of 9/30/22 is \$199,783.11.
Ownership shares sell at \$425,000 or 2.16 times the book value.

Balance Sheet



Current Month
September 2022

Assets

Total Cash/On-Demand Deposits	31,201,690
Total Investments	863,895
Total Accounts Receivable	1,590,771
Total Pre-Paid Assets	3,470,800
Total Fixed Assets	7,849,299
Total Other Assets	8,458,529
Total Assets	53,434,984

Liabilities & Equity

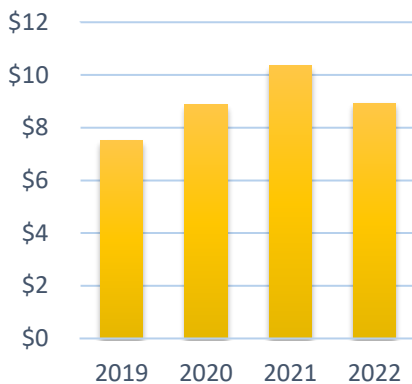
Total Short-Term Liabilities	12,676,994
Total Long-Term Liabilities	8,768,493
Total Liabilities	21,445,487
Total Equity	31,989,497
Total Liabilities & Equity	53,434,984



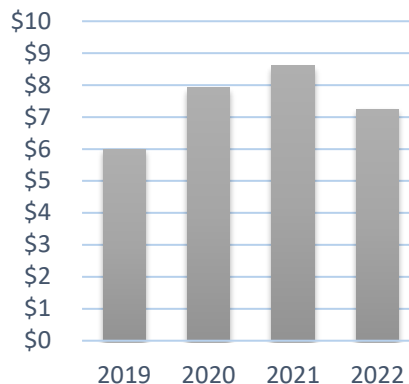
Numbers Snapshot

(Numbers in millions)

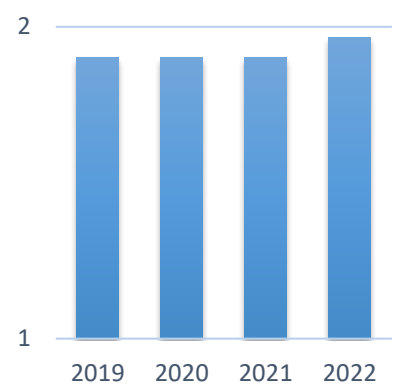
Net Income



Dividends Paid



Members Served



Schmitzer, Vice Chair and Kris Lewis, Secretary/Treasurer. Welcome and thanks to each of our Board members – looking forward to what the coming year has in store!

I would also like to thank Scott McFarland for his years of service as our Board Chair. We are excited for Scott’s continued involvement as a member of the Board.

Here’s hoping that the winter months and the Holiday season treat you, your credit unions, your families, and your friends well. I look forward to seeing many of you in person between now and our summer Leadership event.

If there is anything that I can do for you, please don’t hesitate to reach out.

“Success is not the key to happiness. Happiness is the key to success. If you love what you are doing, you will be successful.”

- Albert Schweitzer

As always, make it a great day!

Board. When I took that position, I committed that I would eventually step away from it at some point. That opportunity came this year and I couldn’t be happier with our new Chair, Linda Bodie. I am looking forward to continuing to serve (until a challenger knocks me out) and I appreciate the friendships I have made and will continue to make in the network.

Here’s to an exciting year ahead for all of us and a nod to past successes! Now, let’s all get out there and finish strong!



If you haven’t visited the CU*Answers Kitchen lately, we encourage you to check out some of the recipes we’re cooking up! We’ve made recent updates to several projects including Ascensus Integration, Authentication Enhancements for Online/Mobile Baking and more!

Visit the Kitchen to read up on these and other recipes currently in development! <https://www.cuanswers.com/resources/kitchen/>



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/cubase-preferences/>