



# **Welcome to the 2022 Annual Stockholders Meeting**

June 15, 2022

**CU<sup>\*</sup>ANSWERS**  
A CREDIT UNION SERVICE ORGANIZATION



# Agenda

- ▶ Welcome and Call to Order
- ▶ Chairman's Comments
- ▶ 2021 Election
- ▶ CFO Report
- ▶ Election Results
- ▶ Adjourn



A wide-angle landscape photograph of a mountain valley. The terrain is covered in dense, low-lying vegetation in shades of green, yellow, and brown, suggesting a high-altitude or alpine environment. A small waterfall cascades down a rocky ledge in the center of the valley. The sky is overcast and grey.

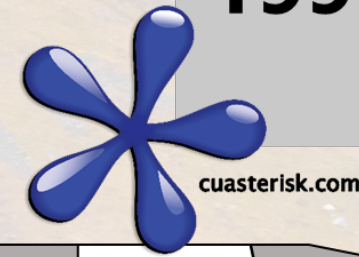
# Chairman's Report

Scott McFarland, CU\*Answers Board  
Chairperson

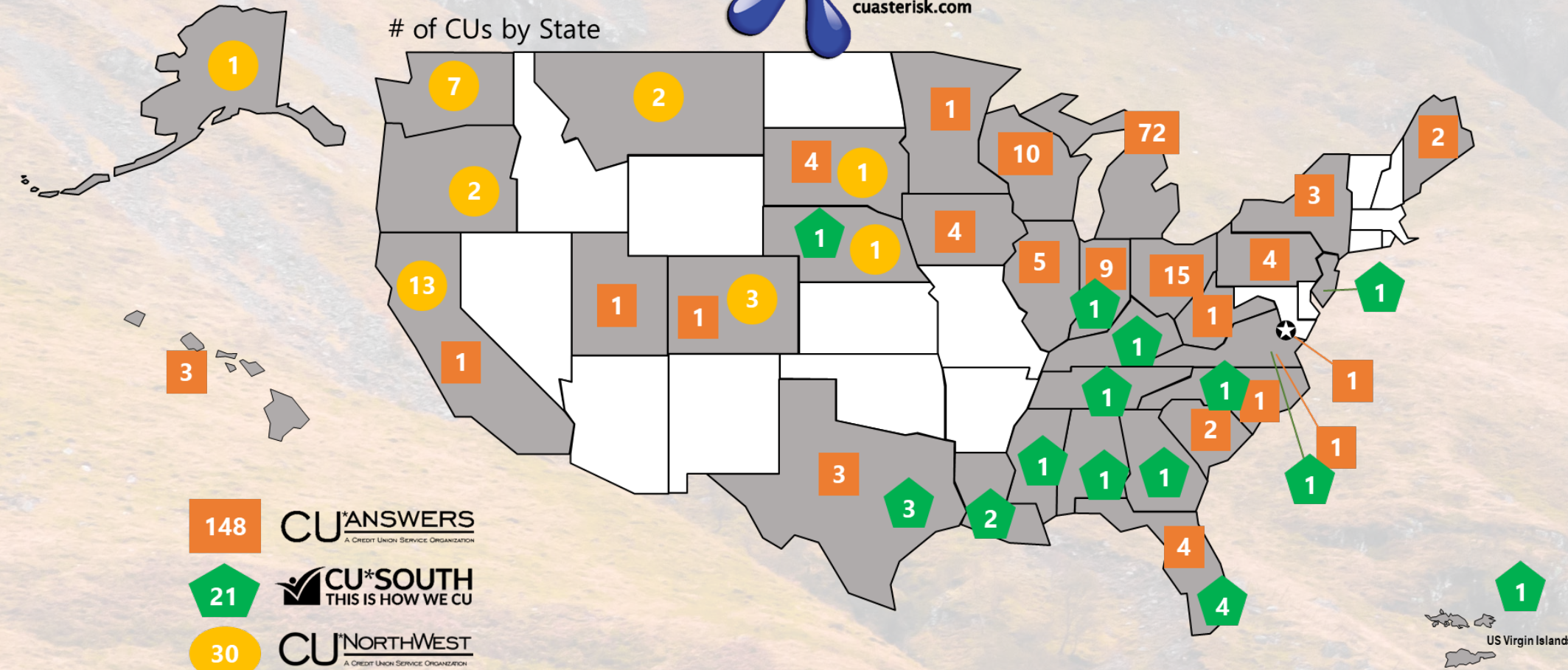


## Our Community of Owners

**199** Credit Union Owners in **35** States  
**55%** of all Client CUs



# of CUs by State



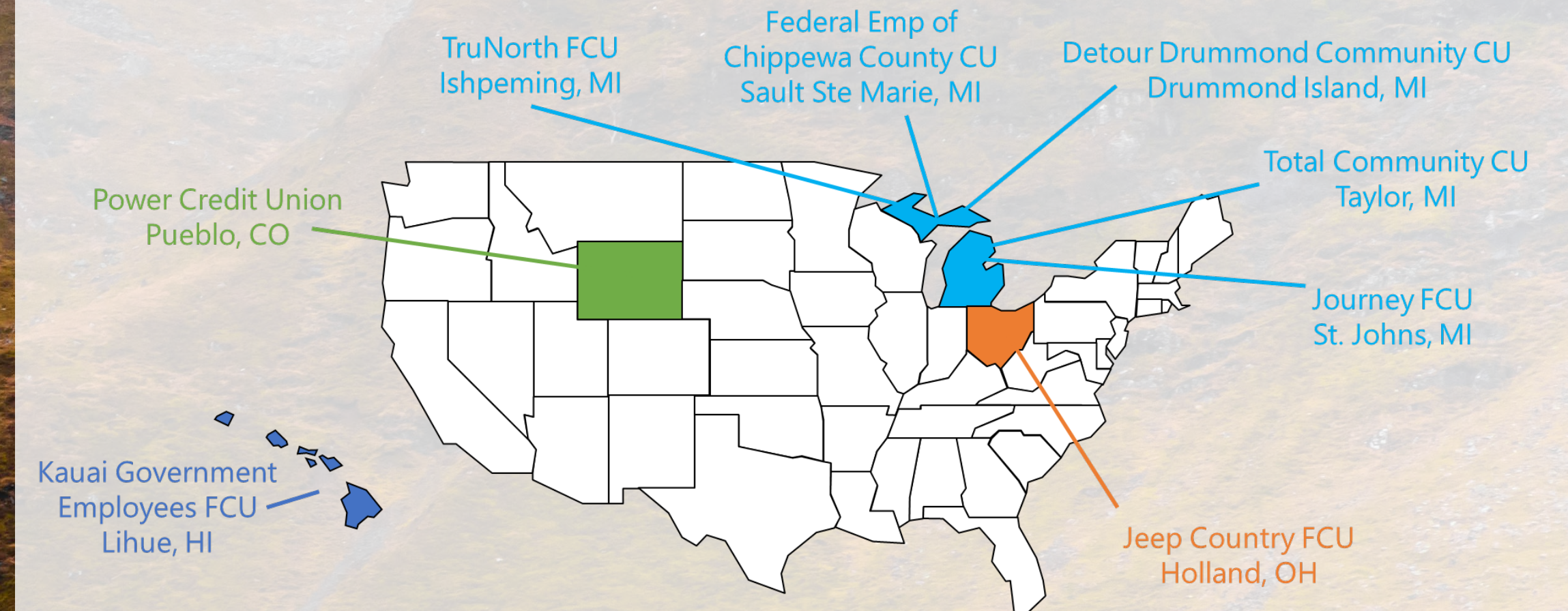
**148** CU\*ANSWERS  
A CREDIT UNION SERVICE ORGANIZATION

**21** CU\*SOUTH  
THIS IS HOW WE CU

**30** CU\*NORTHWEST  
A CREDIT UNION SERVICE ORGANIZATION

## Welcome to 8 new CU\*Answers owners in 4 states!

Ranging from 1,400 to 18,000 mbrs (average 9,400 mbrs)



**CU\*ANSWERS**  
A CREDIT UNION SERVICE ORGANIZATION

All CU\*Answers owners signed as of 4/1/2022



# Your Board of Directors

## 2021-2022



**Scott McFarland, Chairman**  
CEO, Honor Credit Union  
Board Member since Aug 2009



**Linda Bodie, Director**  
CEO, Element Federal CU  
Board Member since Oct 2013



**Tom Gryp, Director**  
President/CEO, Notre Dame FCU  
Board Member since Oct 2016



**Jeff Jorgensen, Director**  
CEO, Sioux Empire Federal CU  
Board Member since Dec 2009

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**Kris Lewis, Director**  
CEO, Allegan Community CU  
Board Member since Oct 2018



**Dean Wilson, Director**  
CEO, FOCUS Credit Union  
Board Member since Jan 2008



**Vickie Schmitzer, Sec'y/Treas.**  
CEO, Frankenmuth Credit Union  
Board Member since Oct 2007

### ASSOCIATE BOARD MEMBERS

**Bill Burke**  
CEO  
Day Air CU



**Carolyn Mikesell**  
CEO  
Public Service CU



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A wide-angle photograph of a mountain valley. The slopes are covered in dense, low-lying vegetation in shades of green, yellow, and brown, suggesting an autumn or late summer setting. A small waterfall cascades down a rocky ledge in the center of the valley. The sky is overcast and grey.

# **2022 Board Elections**

Dean Wilson, Nominating Committee Chair



# Your Candidates

**Linda Bodie, Director**  
CEO, Element Federal CU

*Incumbent*



**Jeff Jorgensen, Director**  
CEO, Sioux Empire Federal CU

*Incumbent*





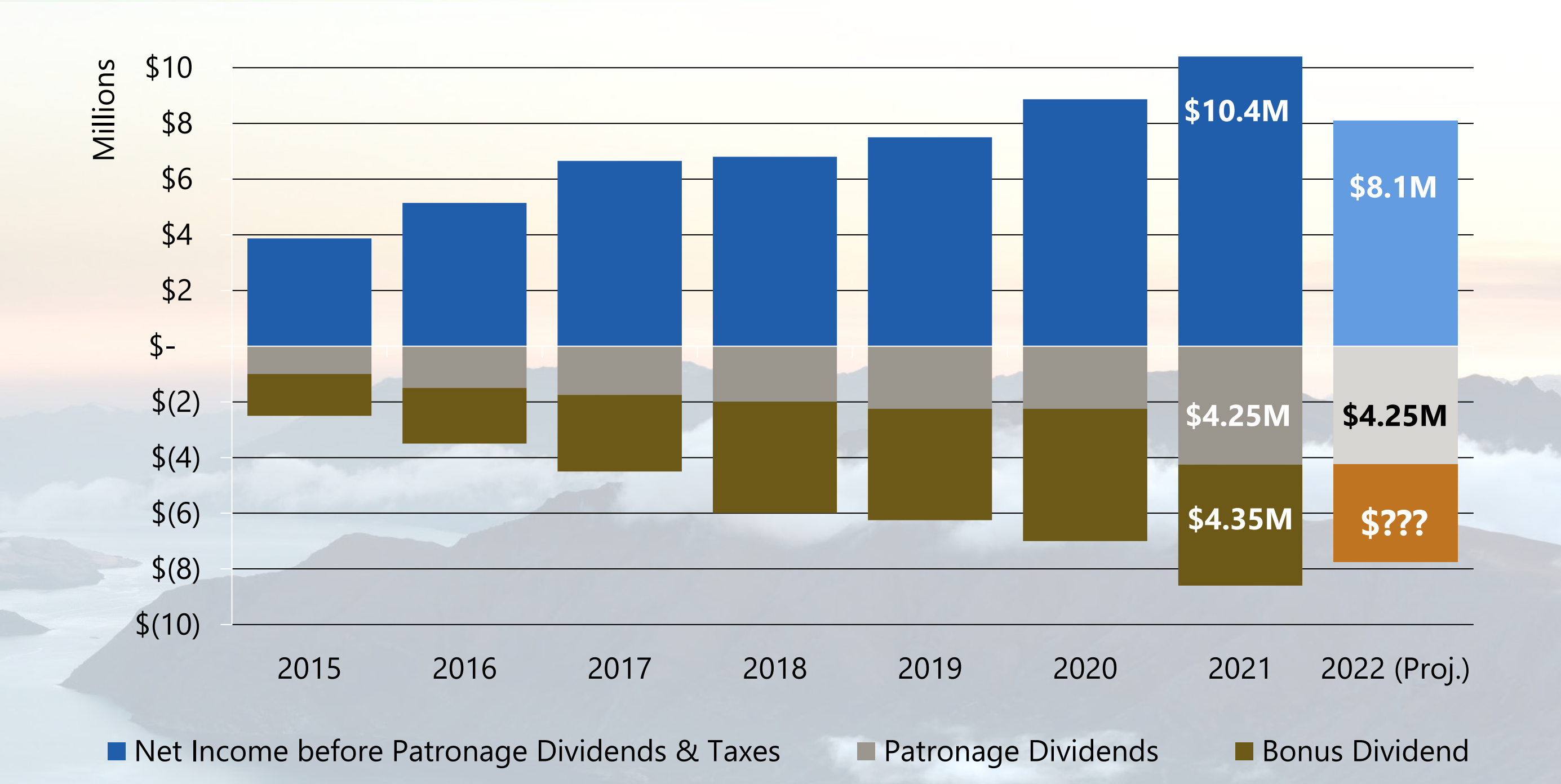


# CFO Report

Bob Frizzle, CFO



# Net Income & Patronage Dividends





# 2021 Numbers Worth Celebrating

	YE 2020	YE 2021	2021-2020 % Change	2020-2019 % Change	2019-2018 % Change
Total Assets	\$45,821K	<b>\$50,392K</b>	<b>9.97%</b>	7.72%	9.10%
Total Liabilities	\$23,282K	<b>\$24,290K</b>	<b>4.33%</b>	6.21%	12.06%
Total Equity	\$22,538K	<b>\$26,102K</b>	<b>15.81%</b>	9.31%	6.13%
Retained Earnings	\$4,740K	<b>\$5,541K</b>	<b>16.90%</b>	12.32%	8.85%
Book Value of Class A Stock (\$ per share)	\$822.59	<b>\$912.66</b>	<b>10.95%</b>	8.5%	5.40%
Book Value of Ownership	\$164,518	<b>\$182,532</b>	<b>10.95%</b>	8.5%	5.40%



# Year-end 2021 Dividend Payments

	YE 2020	YE 2021	2021-2020 % Change	2020-2019 % Change	2019-2018 % Change
Patronage Dividend (\$)	2,250,000	<b>4,250,000</b>	<b>88.89%</b>	0.0%	12.5%
Bonus Patronage (\$)	4,750,000	<b>4,350,000</b>	<b>-17.18%</b>	26.7%	-6.3%
Ownership Dividend Rate	4.0%	<b>4.0%</b>	<b>0.0%</b>	0.0%	0.0%
Ownership Dividend (\$)	928,544	<b>1,064,168</b>	<b>14.61%</b>	10.0%	8.8%
Book Value of Class A Stock (\$ per share)	822.59	<b>912.66</b>	<b>10.95%</b>	8.5%	5.4%
Price to Purchase CUSO Ownership	330,000	<b>360,000</b>	<b>9.09%</b>	0.0%	0.0%

**2022 Net Earnings as of April 2022: \$2.6M**

After adjustments for \$4.25M patronage dividends and \$874K taxes  
(projected to be **\$2.9M** by 9/30/22)



# 2021 Return on Investment

2021 Gross Income Submitted by Owners to CU\*Answers **\$ 33,494,399**  
*(Excludes all vendor pass-throughs)*

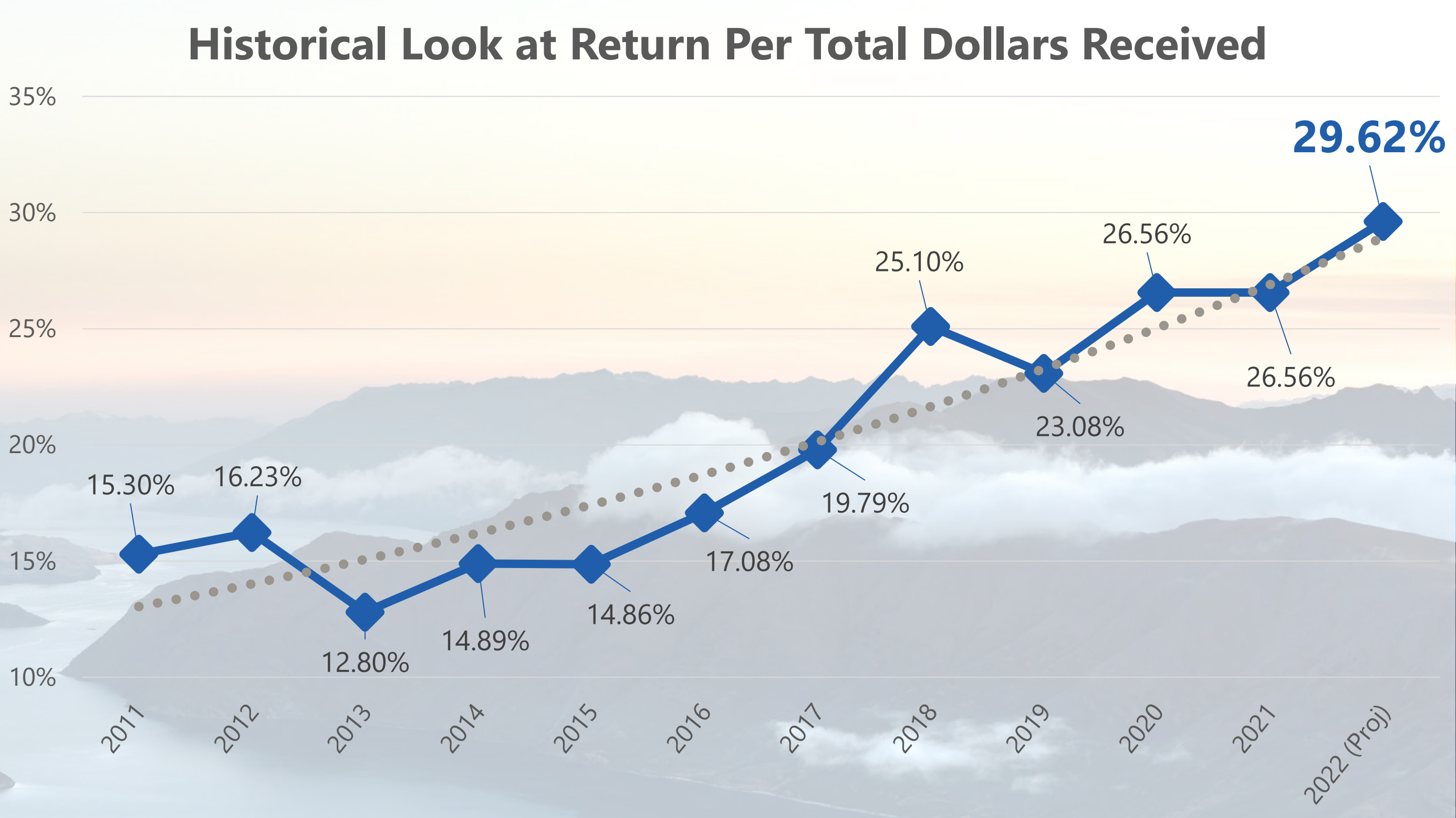
2021 Patronage Dividends Paid	\$ 8,600,000	
2021 Class A Stock Dividends Paid	1,064,168	(4.0%)
2021 Interest Paid Credit Unions on Loans	256,389	(~5.0%)

**Total Revenue Returned to Credit Unions** **\$ 9,920,557**

**2021 Return Per Total Dollars Received: \$0.2962**  
 $\$9,920,557 \div \$33,494,399$  (excludes vendor pass-throughs) = 29.62% return per CU\*A \$ received



# 2021 Return on Investment





# Investing in a Community and Building a Network

site-four

Xtend

eDOC  
INNOVATIONS

TRUST  
EXCHANGE

CU<sup>NORTHWEST</sup>  
A CREDIT UNION SERVICE ORGANIZATION

VIRTUAL  
StrongBox

C-U<sup>OUTDOORS</sup>

Paymentus

20%  
ownership  
stake

0.95%  
ownership  
stake

48%  
ownership  
stake

10%  
ownership  
stake

3.12%  
ownership  
stake

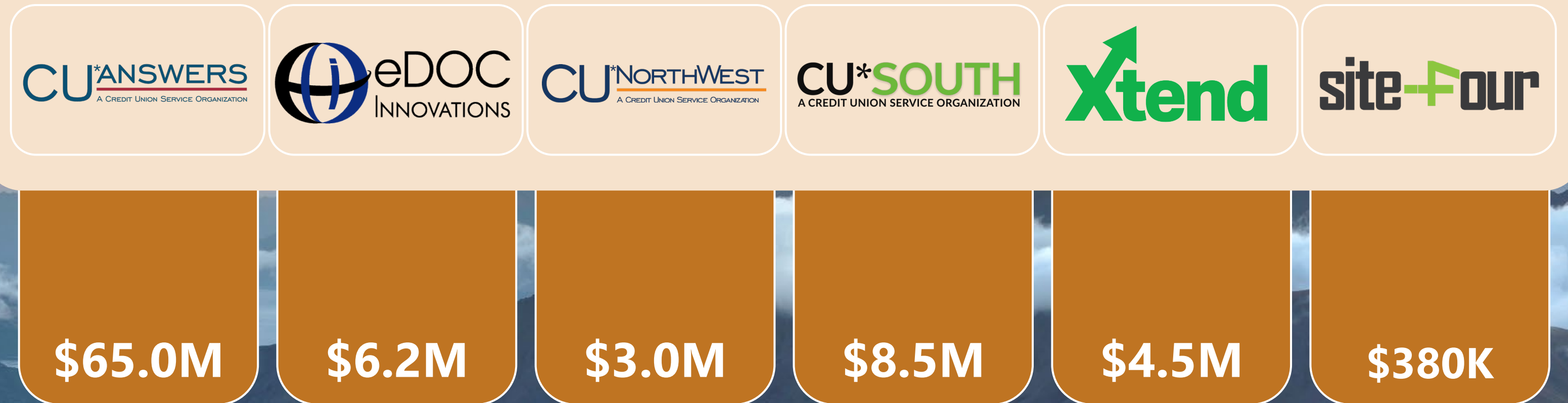
Convertible  
debt  
investment

10%  
ownership  
stake

<1%  
ownership  
stake



# Projections for 2022 Year-end



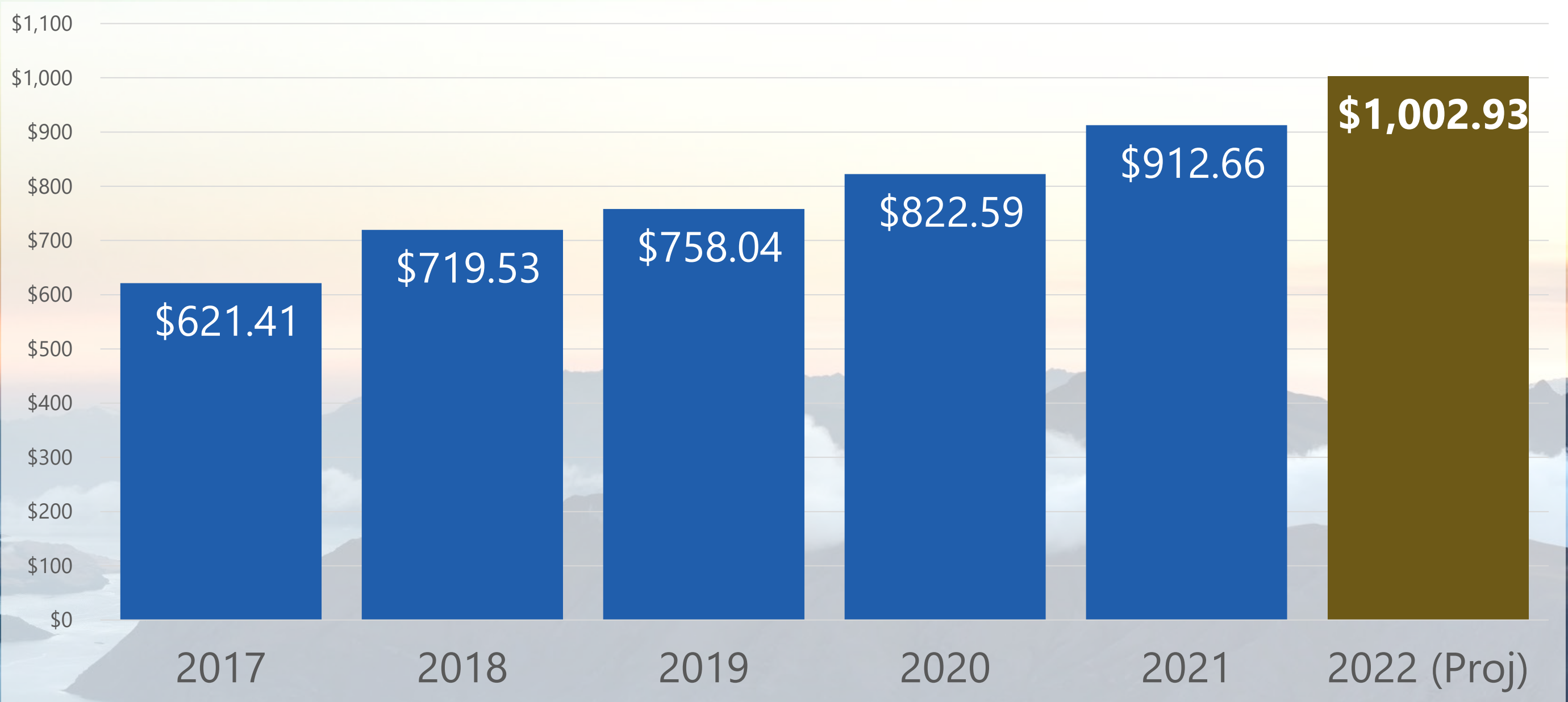
cuasterisk.com

**Grand total: \$87.6 million**



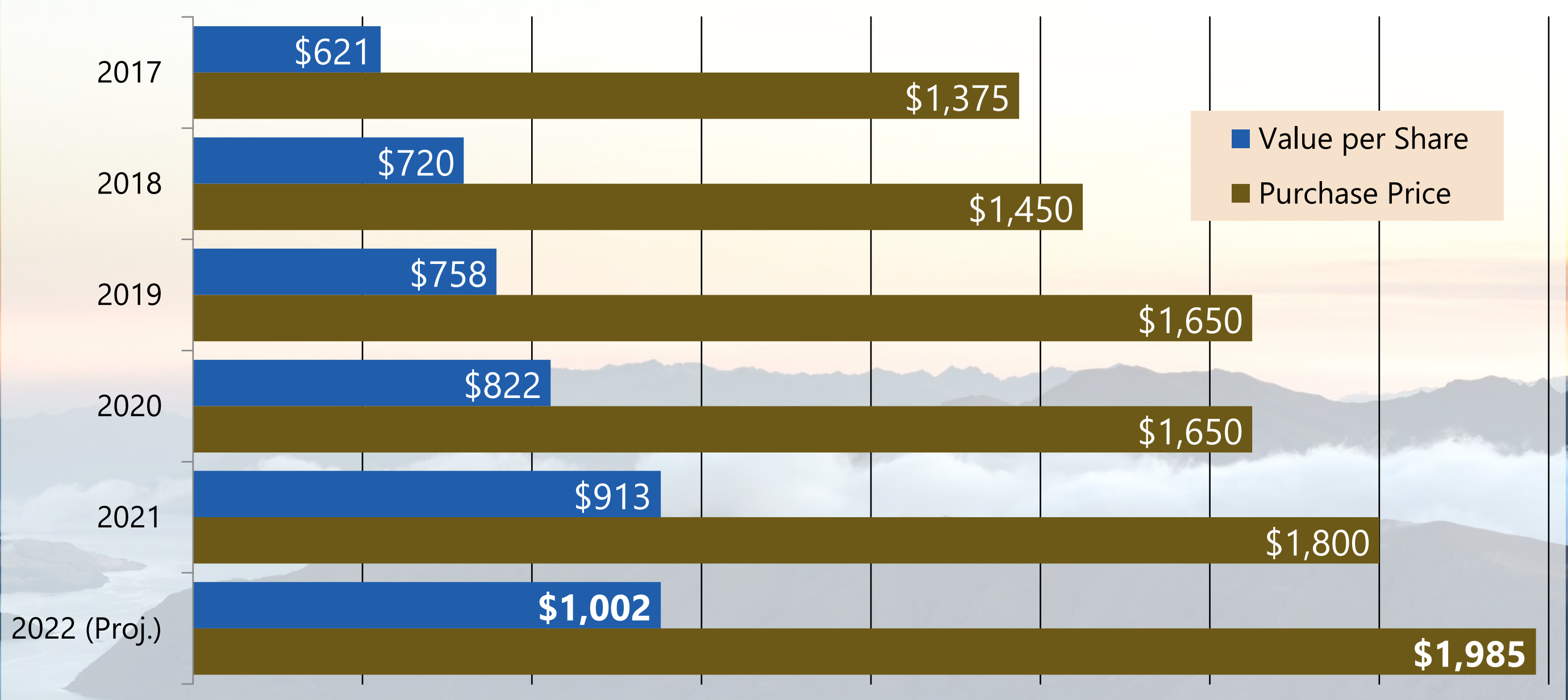
# Projecting Shareholder Value

THE PRICE OF OWNERSHIP OVER THE YEARS	
1991:	\$59
2000:	\$176
2005:	\$460
2010:	\$495
2015:	\$1,125
2020:	\$1,650
<b>2022:</b>	<b>\$1,985</b>





# Our Per-share Price







# CEO Report

Geoff Johnson



# A Year of Adventure

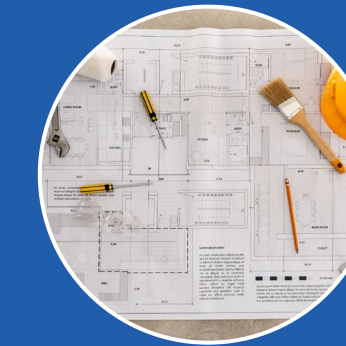




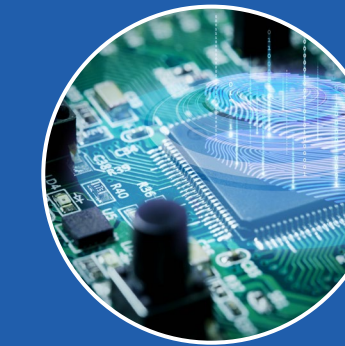
# A Year of Investments



Investing in  
People



Investing in  
Facilities



Investing in  
Technology





# A Year of Growth



- ▶ Growth in Hawaii and the West Coast region
- ▶ Growth across the country
- ▶ Growth at the Innovation Center
- ▶ Growth in key teams



# A Year of Opportunity





A panoramic photograph of a majestic mountain range. The mountains are characterized by sharp, jagged peaks and steep, rocky slopes. The rock faces show varying shades of brown, tan, and grey, with some patches of snow or light-colored rock near the base. The foreground is filled with a dense, dark green forest of coniferous trees. The sky above is a deep blue, dotted with soft, white clouds. A semi-transparent white rectangular box is overlaid on the left side of the image, containing the text.

# **Back to our Chairman**

Do we have a motion to adjourn?



A panoramic view of a rugged mountain range with sharp peaks and a forested valley. The mountains are composed of dark, jagged rock with some patches of snow or light-colored rock near the base. The sky is blue with scattered white clouds. The foreground shows a dense forest of evergreen trees.

**Thank you for coming!**

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