

Welcome to the 2023 Annual Stockholders Meeting

June 21, 2023

CU*ANSWERS
A CREDIT UNION SERVICE ORGANIZATION



Agenda

- ▶ **Welcome and Call to Order**
- ▶ **Board Chair Report**
- ▶ **2023 Election**
- ▶ **CFO Report**
- ▶ **Election Results**
- ▶ **Adjourn**

Board Chair Report

Linda Bodie, CU*Answers Board Chairperson

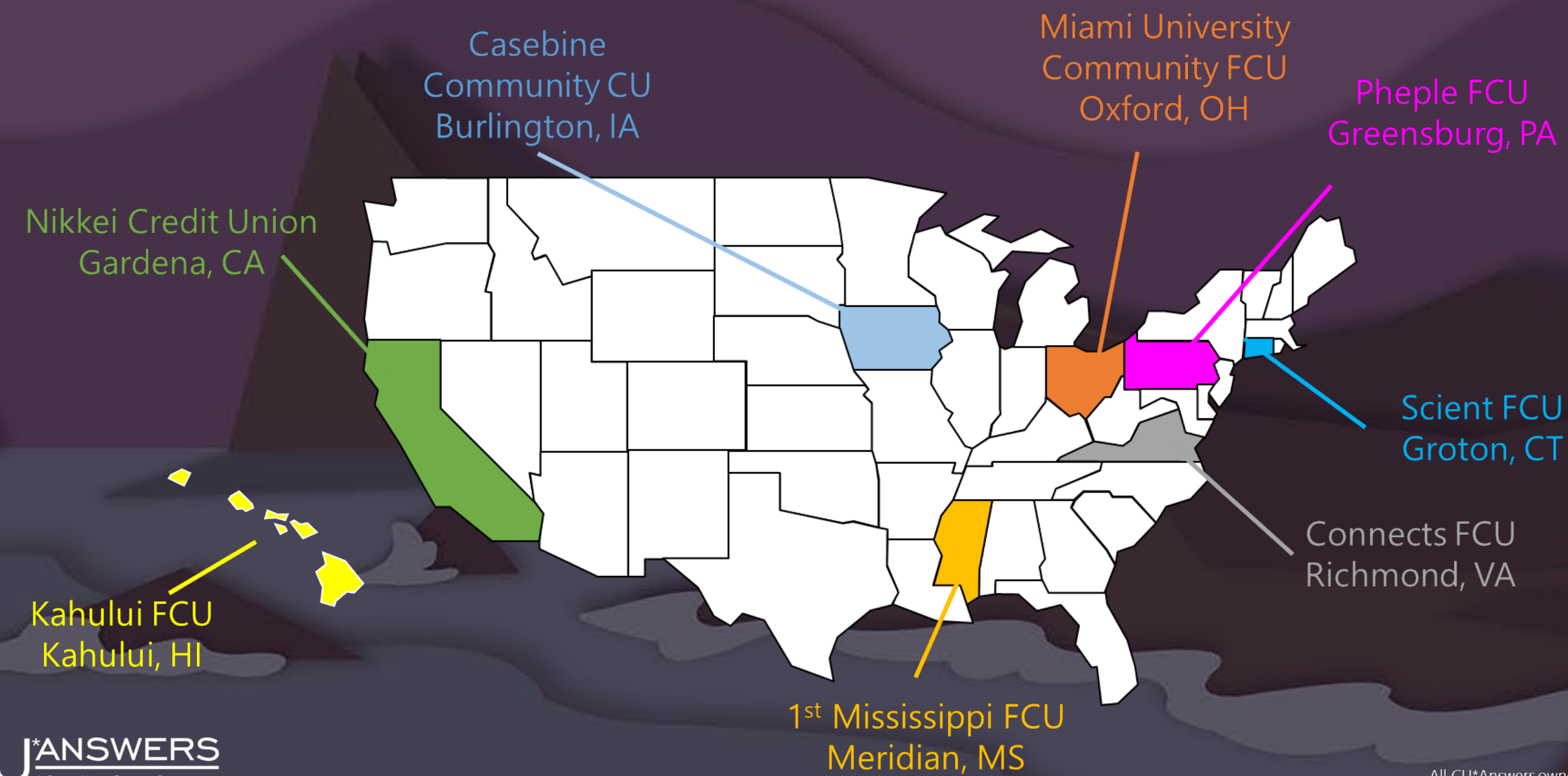
Approving Last Year's Annual Meeting Minutes

- ▶ Do we have a motion? Support?
- ▶ Please state your name and CU

Welcome new owners!

Welcome to 8 new CU*Answers owners in 7 states!

Ranging from 3,700 to 20,000 mbrs (average 9,200 mbrs)



Your Board of Directors

2022-2023



Linda Bodie, Chair
CEO, Element Federal CU
Board Member since Oct 2018



Vickie Schmitzer, Vice Chair
CEO, Frankenmuth CU
Board Member since Oct 2007



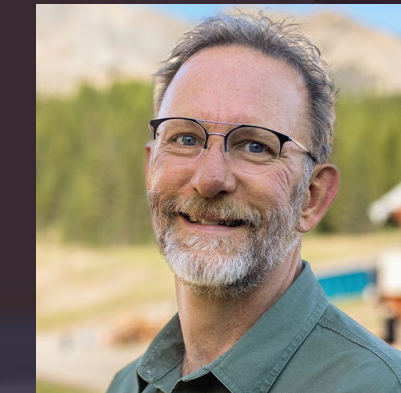
Tom Gryp, Director
Pres./CEO, Notre Dame FGU
Board Member since Oct 2016



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



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



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



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

ASSOCIATE BOARD MEMBERS



Carolyn Mikesell
CEO, Public Service CU



Bill Burke
CEO, Day Air CU

2023 Board Elections

Scott McFarland, Nominating Committee Chair



Your Candidates



Jeffrey Kusler
CEO, Journey Federal Credit Union



Val Mindak
CEO, Park City Credit Union



Mark Richter
CEO, First United Credit Union



Vickie Schmitzer,
CEO, Frankenmuth Credit Union
Incumbent



Dean Wilson
CEO, FOCUS Credit Union
Incumbent



Let's hear from...



Jeffrey Kusler
CEO, Journey Federal Credit Union



Let's hear from...



Val Mindak
CEO, Park City Credit Union



Let's hear from...



Mark Richter
CEO, First United Credit Union



Let's hear from...



Vickie Schmitzer,
CEO, Frankenmuth Credit Union
Incumbent



Let's hear from...



Dean Wilson
CEO, FOCUS Credit Union
Incumbent



The Process

- ▶ Only CEOs of Stockowner CUs may vote
- ▶ Can cast a ballot today even if you voted electronically
 - Vote cast last will count
- ▶ **Raise your hand if you want a paper ballot!**
 - Write your name and CU name legibly
 - Fold in half and raise your hand for the ballot to be retrieved



We're off to count the votes...

- ▶ **Results after Geoff's CEO report**
- ▶ **Just one more piece of business...**



Associate Board Program

- ▶ **CU*Answers has 2 Associate Board seats**
 - Each associate serves a 2 year term
 - Terms are staggered and service starts Jan 1
- ▶ **Applications due by August 1st**
 - All rules at elections.cuanswers.com
 - Candidates who ran for a board seat may also apply!
- ▶ **Board will appoint associate board members at our October meeting**

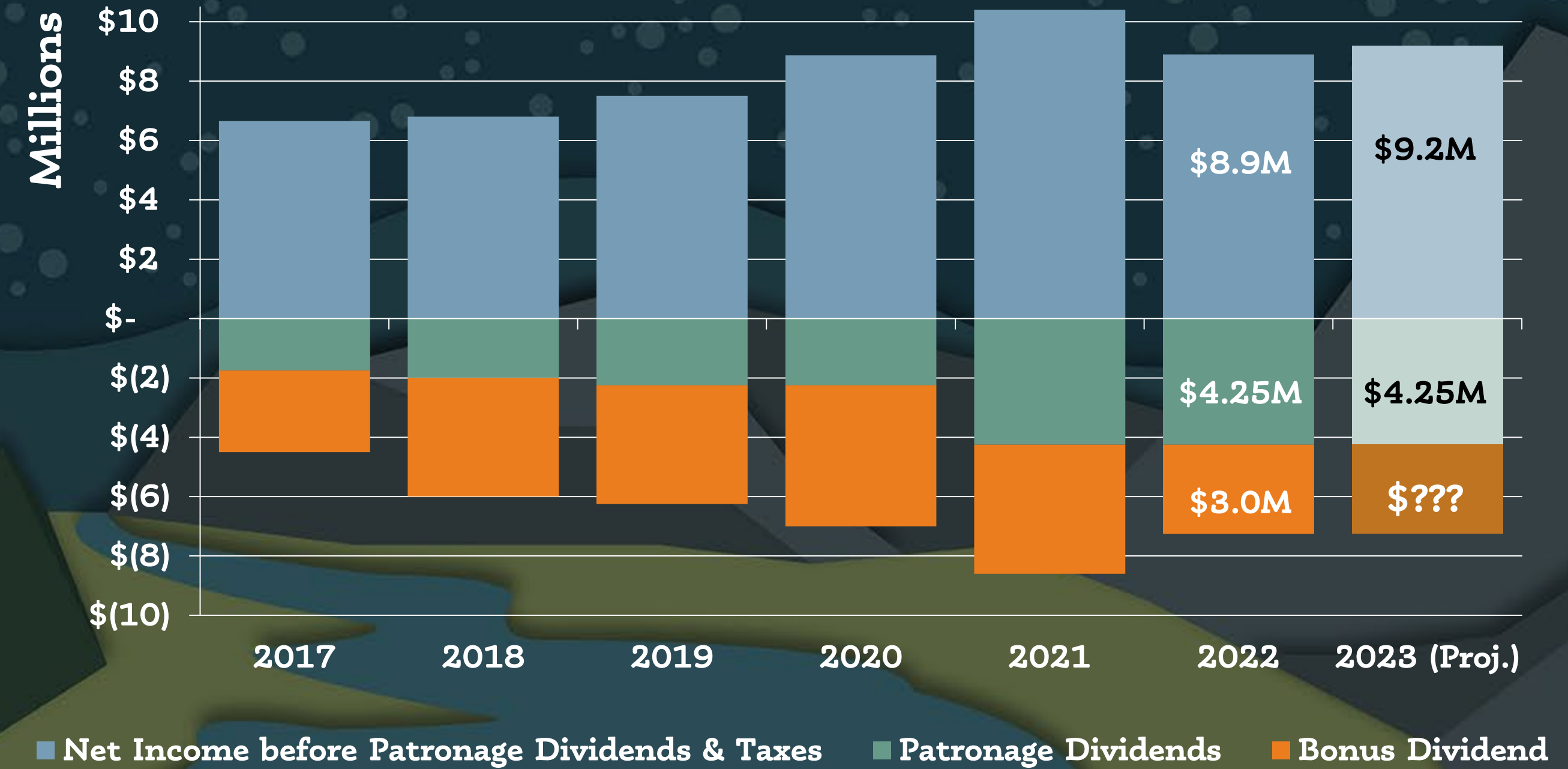


CFO Report

Bob Frizzle, CFO



Net Income & Patronage Dividends



2022 Numbers Worth Celebrating

	YE 2021	YE 2022	2022-2021 % Change	2021-2020 % Change	2020-2019 % Change
Total Assets	\$50,392K	\$54,658K	8.47%	9.97%	7.72%
Total Liabilities	\$24,290K	\$25,288K	4.11%	4.33%	6.21%
Total Equity	\$26,102K	\$29,370K	12.52%	15.81%	9.31%
Retained Earnings	\$5,541K	\$4,364K	14.99%	16.90%	12.32%
Book Value of Class A Stock (\$ per share)	\$912.66	\$998.98	9.46%	10.95%	8.5%
Book Value of Ownership	\$182,532	\$199,797	9.46%	10.95%	8.5%



Year-end 2022 Dividend Payments

	YE 2021	YE 2022	2022-2021 % Change	2021-2020 % Change	2020-2019 % Change
Patronage Dividend (\$)	4,250,000	4,250,000	0.00%	88.89%	0.0%
Bonus Patronage (\$)	4,350,000	3,000,000	-31.04%	-17.18%	26.7%
Ownership Dividend Rate	4.0%	4.0%	0.00%	0.0%	0.0%
Ownership Dividend (\$)	1,064,168	1,176,955	10.60%	14.61%	10.0%
Book Value of Class A Stock (\$ per share)	912.66	998.98	9.46%	10.95%	8.5%
Price to Purchase CUSO Ownership	360,000	397,000	10.28%	9.09%	0.0%

2023 Net Earnings as of April 2023: \$2.836M

After adjustments for \$2.479M patronage dividends and \$1.035M taxes
(projected to be \$3.669M by 9/30/23)

2022 Return on Investment

2022 Gross Income Submitted by Owners to CU*Answers **\$ 39,849,765**

(Excludes all vendor pass-throughs)

2022 Patronage Dividends Paid **\$ 4,250,000**

2022 Class A Stock Dividends Paid **3,000,000 (4.0%)**

2022 Interest Paid Credit Unions on Loans **1,176,955 (~5.0%)**

Total Revenue Returned to Credit Unions **\$ 8,426,955**

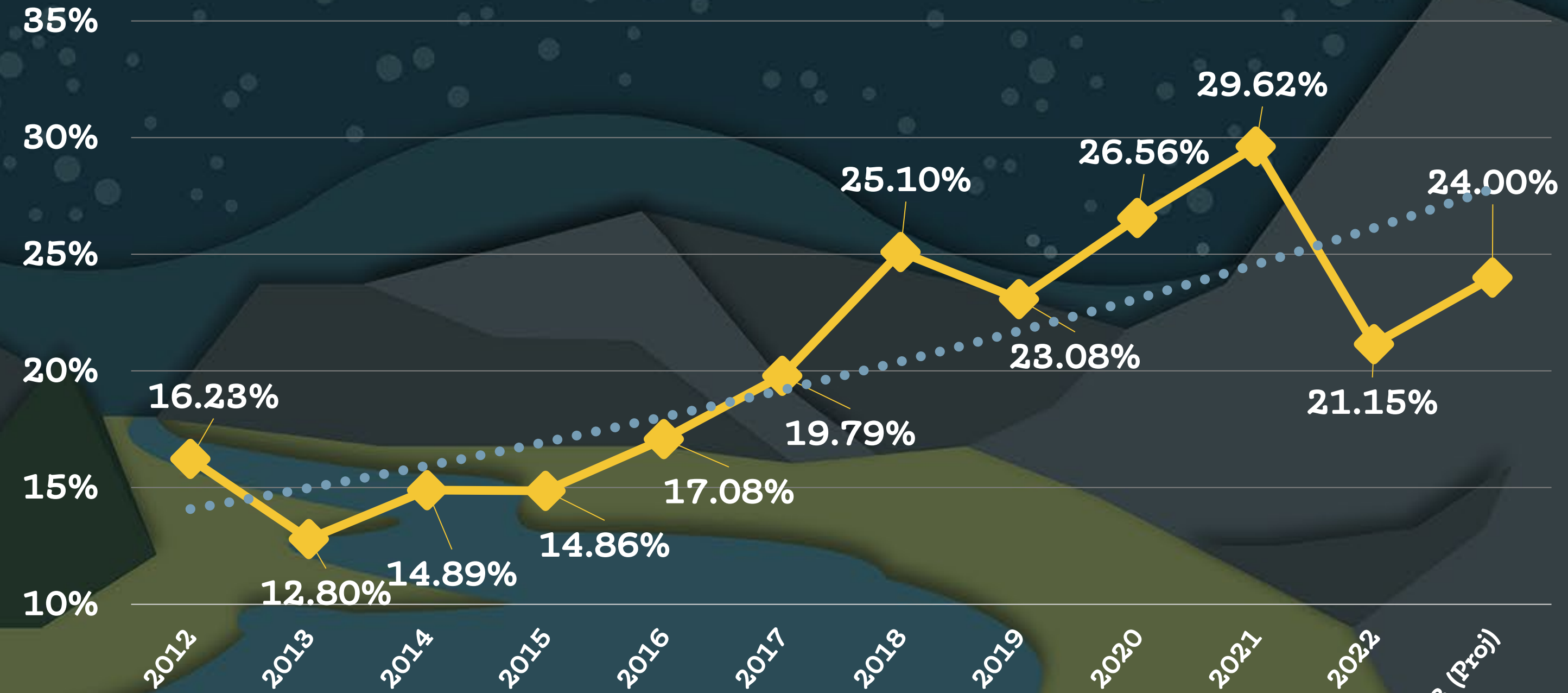
2022 Return Per Total Dollars Received: **\$0.2115**

$\$8,426,955 \div \$39,849,765$ (excludes vendor pass-throughs) = 21.15% return per CU*A \$ received



2022 Return on Investment

Historical Look at Return Per Total Dollars Received



Investing in a Community and Building a Network



site-four



Xtend



eDOC
INNOVATIONS



TRUST
EXCHANGE



CU NORTHWEST
A CREDIT UNION SERVICE ORGANIZATION



VIRTUAL
StrongBox



C-U OUTDOORS



Paymentus

20%
ownership
stake

0.96%
ownership
stake

48%
ownership
stake

10%
ownership
stake

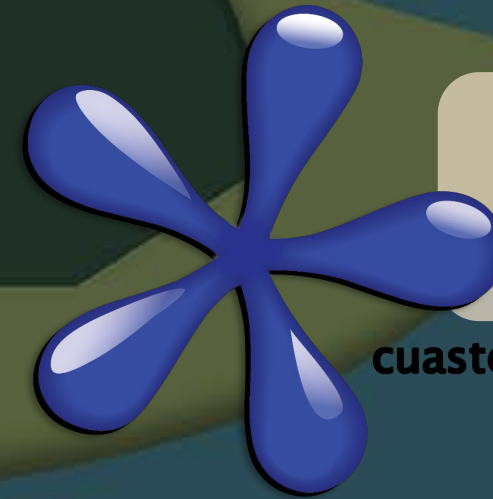
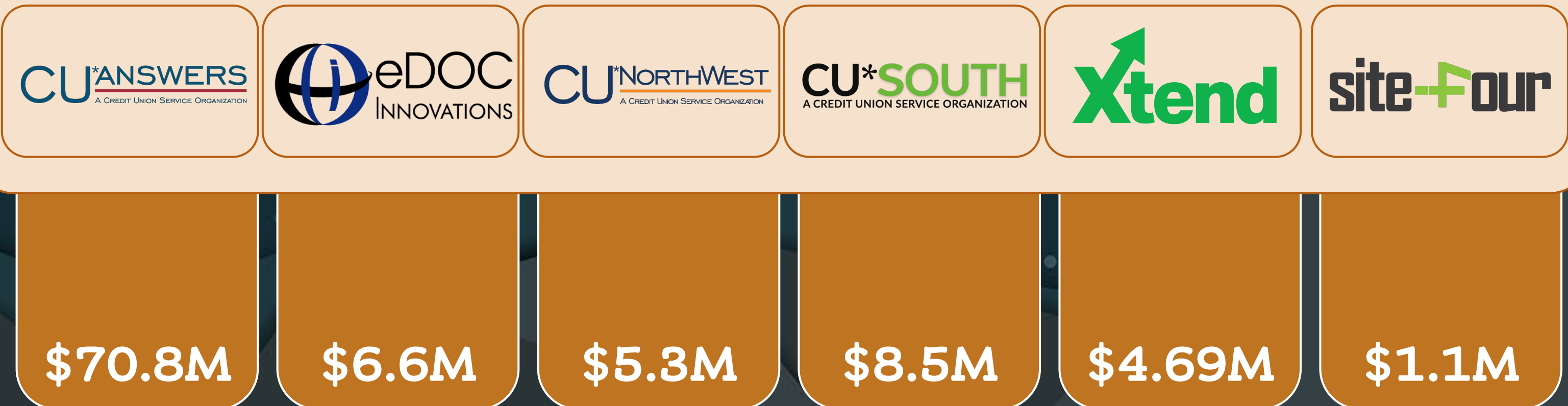
3.33%
ownership
stake

Convertible
debt
investment

10%
ownership
stake

<1%
ownership
stake

Projections for 2023 Year-end



Grand total: \$96.99 million

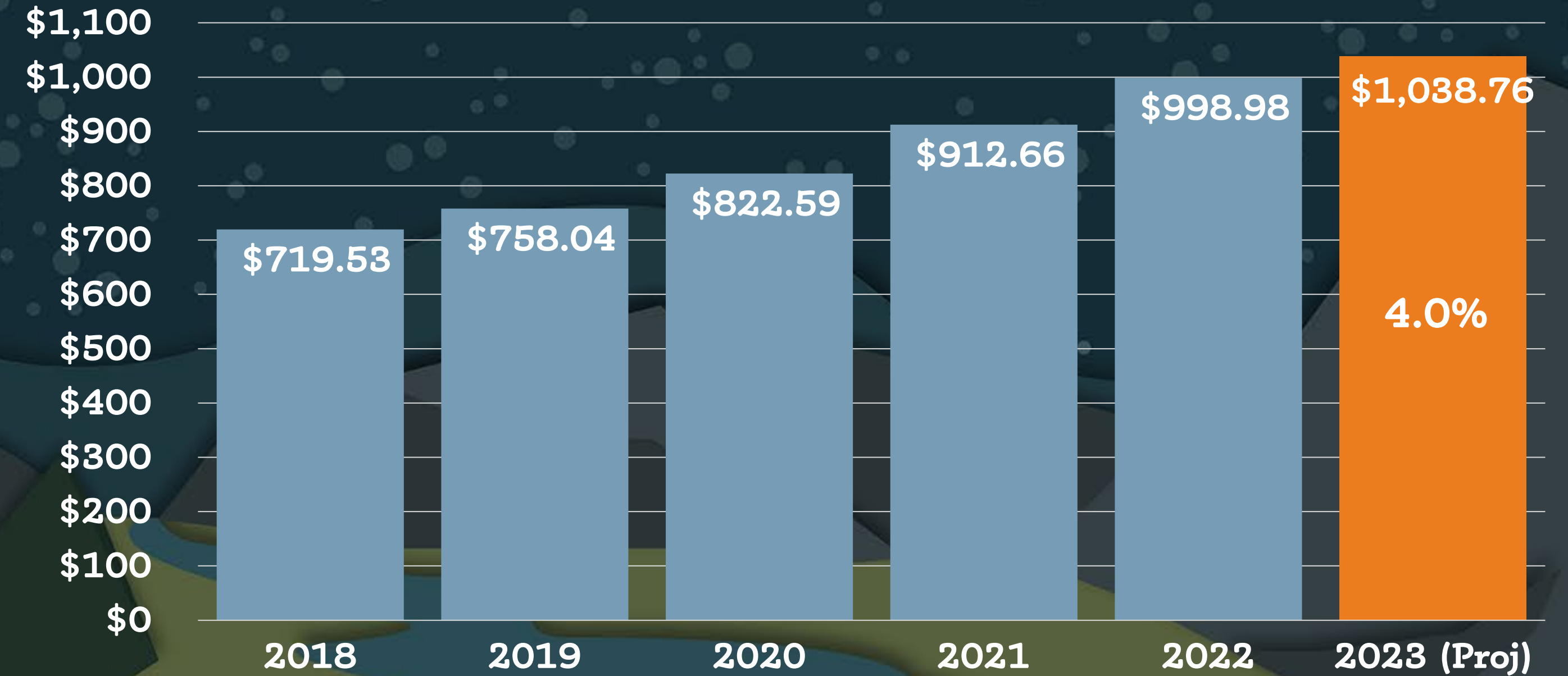
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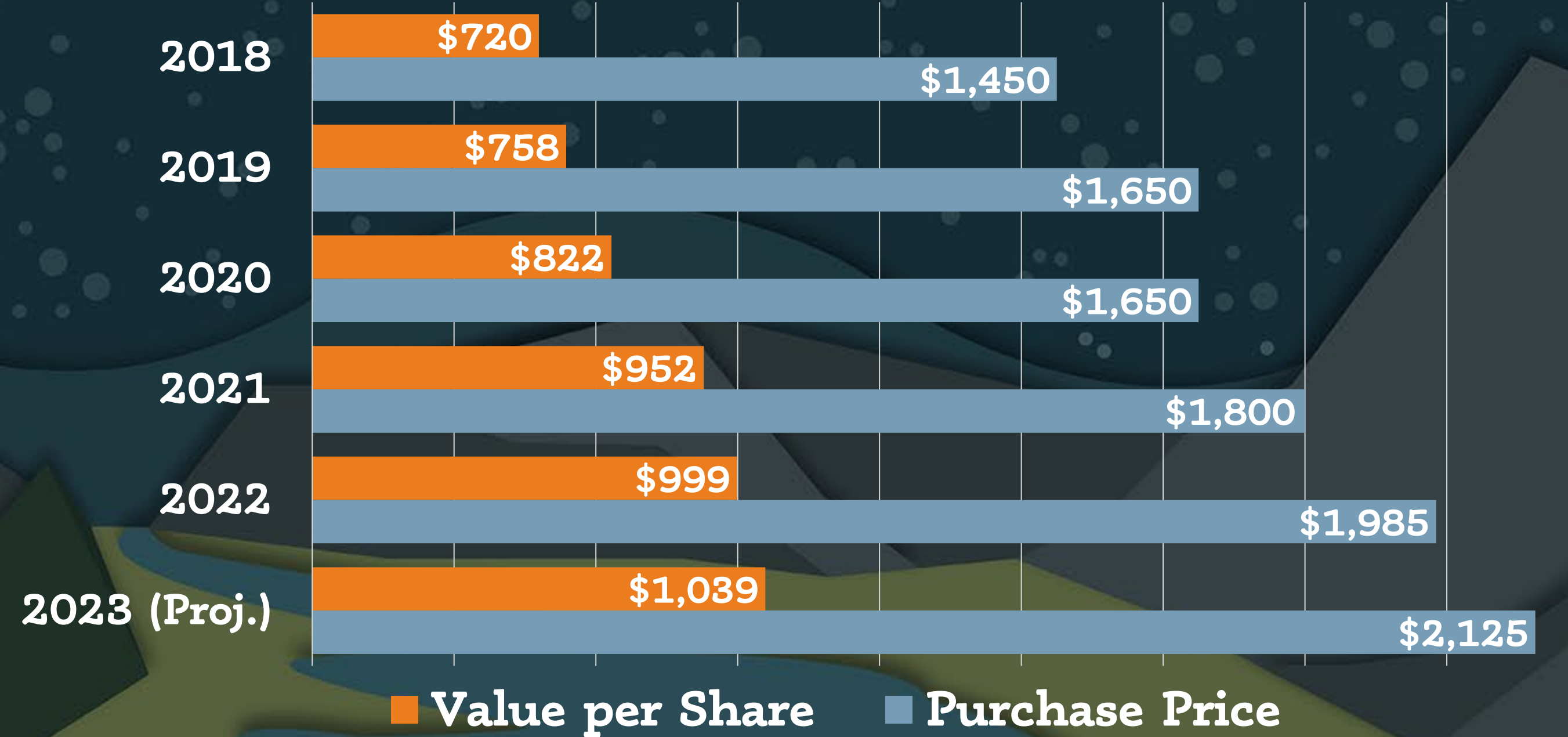
Projecting Shareholder Value

THE PRICE OF OWNERSHIP OVER THE YEARS

1991:	\$59
2000:	\$176
2005:	\$460
2010:	\$495
2015:	\$1,125
2020:	\$1,650
2023:	\$2,125



Our Per-share Price



CEO Report

Geoff Johnson



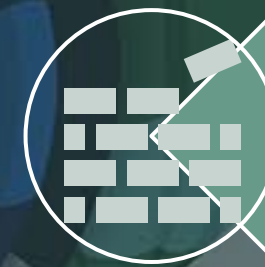
Building Our Base Camp



Long-term Investments



People Investments



Facilities Investments



Network Partner Relationships

A heartfelt THANK YOU!



Now for the election results!

...and the winners are



Your New Board of Directors 2023-2024

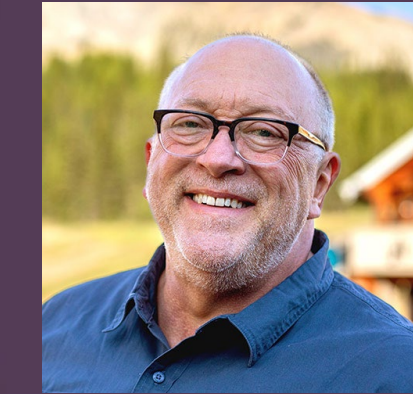
Congratulations!



Linda Bodie
Element Federal CU



???
??? Credit Union



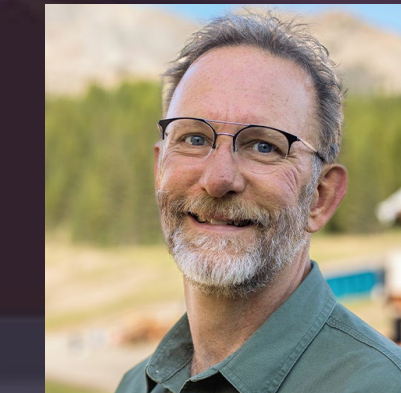
Tom Gryp
Notre Dame FCU



???
??? Credit Union



Kris Lewis
Allegan Community CU



Jeff Jorgensen
CEO, Sioux Empire Federal CU



Scott McFarland
Honor Credit Union

Back to our Chairperson

- ▶ Do we have a motion to adjourn? Support?
- ▶ Please state your name and CU

Thank you for coming!



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