

# CONSERVATION EMPLOYEES' CREDIT UNION 2021 ANNUAL REPORT

## Statement of Condition

Assets	
Loans to Members (net)	101,387,009.13
Accounts Receivable	348,748.95
Non-Interest Earning Cash	340,264.72
Corporate/Investments	43,198,491.39
Unrealized Gain/Loss Investments	-198,770.37
Furniture/Equipment	25,805.93
Building/Land	803,360.78
Accrued Income	248,707.70
PrePaid & Deferred Expenses	2,407,915.53
NCUSIF Share Insurance	1,304,371.96
<u>Other Assets</u>	<u>50,151.65</u>
Total Assets	149,916,057.37

## Liabilities/Equity

Accts Payable	407,008.25
Dividends	44,132.98
All Other Liabilities	560,062.60
Members' Shares	52,037,403.35
Members' Share Drafts	22,318,637.53
Members' Share Certificates	19,980,901.16
Members' IRA Certificates	3,788,531.82
Members' IRA Shares	4,611,819.05
Members' Money Market Shares	33,631,701.24
<u>Life Savings</u>	<u>31,000.00</u>
Total	137,411,197.98
Pension Other Comprehensive	-879,153.81
Regular Reserves	3,161,143.70
Unrealized Gain(Loss) on Investment	-198,770.37
<u>Undivided Earnings</u>	<u>10,421,639.87</u>
Total	12,504,859.39
Total Liabilities/Members Equity	149,916,057.37

## Statement of Earnings

### Income

Interest from Member Loans	3,524,119.66
VISA Interchange Income	279,189.91
Debit Interchange Income	332,020.57
Interest from Investments	314,070.25
Life and CDI	150,047.15
<u>Other Income</u>	<u>171,287.78</u>
Total Income	4,770,735.32

### Operating Expenses

Salary and Benefits	1,315,422.93
Travel & Conference	19,464.07
Association Dues	30,826.00
Office Occupancy	30,621.56
Office Operations	180,046.77
Education/Marketing	146,146.13
Loan Servicing	525,547.93
Professional Outside Services	932,142.07
Supervision and Examinations	14,243.01
Depreciation Expense	64,960.18
Provision for Loan Loss	-3,843.62
(Gain)/Loss Sale of Investment	1,016.77
(Gain)/Loss on Sale of Assets	14,654.60
Other Non-Operating (Gain)/Loss	-2,634.37
<u>Misc.</u>	<u>28,136.34</u>
Total Operating Expenses	3,296,750.37

### Interest Expense

Interest on Borrowed Money	.78
Share/Share Draft Dividends	170,967.13
Money Market Shares	209,420.45
IRA Shares and Certificates	77,655.75
<u>Share Certificates</u>	<u>318,542.61</u>
Total Cost of Funds	776,586.72

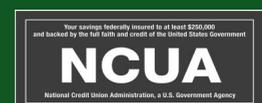
Total Expenses 4,073,337.09

### Net Income 2021

Net Income 697,398.23



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## Supervisory Committee Report

The Supervisory Committee is responsible for reviewing procedures and examining the business operations of Conservation Employees' Credit Union (CECU). The Supervisory Committee met monthly and is pleased to report another year of outstanding performance by CECU leadership and employees.

Committee activities for 2021 included:

- Conducted quarterly surprise cash drawer audits.
- Conducted a paper file clean-up and purge event which included scanning paper documents for electronic storage.
- Reviewed and approved CECU employee monthly VISA charges.
- Instituted the "Supervisory Committee's Checklist." This is a living document that summarized Supervisory Committee activities accomplished throughout the year.
- Conducted a review of randomly selected loans, new/closed accounts, and deceased member accounts.
- Audited other real estate owned (OREO) and repossessed assets disposition.
- Conducted a physical equipment inventory.
- Completed required Bank Secrecy Act Compliance training.
- Met with the outside auditor.
- Started quarterly "Learn from CECU Staff" sessions to understand their duties and responsibilities.
- A member of the Committee attended the monthly Board meetings. That member presented our monthly report and shared actions of the Board with other Supervisory Committee members.

I would like to recognize Supervisory Committee members Lisa Dunham, Donna Linnebrink and Shannon Haslag for their dedicated service on this committee throughout 2021.

I would also like to thank CECU President Kevin Brueseke and his entire staff for their support, patience, and expertise in helping us fulfill the responsibilities, you, the CECU membership, have elected us to perform.

Respectfully,  
Pam Haverland  
Supervisory Committee Chairperson

## Loan Report 2021 Business Year

Conservation Employees' Credit Union assisted members during 2021 by approving a total of \$38,888,097 in loans. The following data indicates the areas in which CECU assisted members during the year.

<u>LOAN TYPE</u>	<u>NUMBER</u>
New Vehicles	51
Used Vehicles	706
Mortgage	19
Morgage-15 yr. Fixed	38
Mortgage-10 yr. Balloon	4
Home Equity	414
Land Equity	17
Unimproved Land	22
Land-15 yr. Fixed	14
Recreation	150
Farm/Industrial	50
LOC/Overdraft	2,952
Adjustable Rate LOC	977
Student	91
Share Secured	13
Signature	65
Promotion Signature	21
Co-Maker	4
Payday	65
Total	5,673



# Chairman of the Board of Directors and President's Report 2021

Welcome to Conservation Employees' Credit Union's 2022 annual meeting! We're happy to be hosting a fully in-person, non virtual meeting. It feels great to gather with everyone and share the success stories of your credit union. Our board of directors has a new chairman, Dennis Steward, so please give him a warm welcome. We'd also like to take this time to thank Conservation Employees' past chairman, David Ulrich, for his dedicated service to the board, credit union and our members.

In 2021, the credit union brought back in-person member events, starting slowly with a hybrid annual meeting (in-person and virtual). In October, we celebrated International Credit Union Day and the credit union difference with some member favorites: a hot dog lunch, secured document disposal, and of course, some fun giveaways to show you our appreciation for your membership. And Santa Claus himself was excited to be back at Conservation Employees' Credit Union in December after a year away. He posed for photos with our youngest members while sharing refreshments with every good girl and boy.

While it's clear the credit union's members like to gather in person to socialize with fellow members, you definitely enjoy the ease and convenience of handling your transactions digitally. Virtual Branch online banking had 12,453 more transactions in 2021, which is a 16.61% increase from two years ago. We had 782 more mobile deposits in 2021, a 21.65% increase from two years ago. And debit card transactions also increased by 111,745 – a 13.04% increase for 2021.

Credit union staff were hard at work throughout 2021, working to make our products and services even more useful and appealing to our members' needs. We now offer contactless debit cards, and there's nothing our members need to do to get one. When your current debit card expires, we'll automatically issue you a contactless debit card. And speaking of cards, our credit cards now include the ability to set up text alerts for triggers such as reaching a purchase amount threshold, international purchases, purchases made online or over the phone, processed credits and declined purchases. Finally, Conservation Employees' upgraded our Credit Sense credit monitoring service to include a score simulator, score history chart, analyzer, a personalized loan recommendation tool and alerts history. We hope this brings even more value to our free service for members to keep an eye on their credit and help prevent fraud.

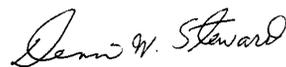
We also provided our members with special opportunities to save even more money on our products and services. In the middle of the year, the credit union lowered vehicle loan rates, making us one of the most competitive lenders in the area.

The 1% cash-back loan promotion generated \$9.43 million in vehicle, boat, motorcycle, ATV, recreational vehicle, trailer and farm/industrial equipment loans. Additionally, Conservation Employees' 15-year fixed-rate mortgage promotion resulted in \$5.24 million plus our standard mortgage program, the overall program total is more than \$7.6 million.

The credit union's member giveback didn't end with special loan offers. We also continued our scholarship program, awarding \$7,800 with the help of an \$1,800 donation from the MDC Pioneers. More than 190 members skipped 375 loan payments with the Holiday Skip-a-Pay program, and Conservation Employees' Credit Union paid our credit cardholders \$157,098 through our 1% cash back reward – a \$21,000 increase from the previous year.

Financially, members should be happy to know that Conservation Employees' Credit Union continues to be a safe place for your financial needs, and our overall growth represents that fact. Our net income for 2021 is \$697,398 (a \$123,884 increase over 2020). The credit union's net worth ratio is 9.06%. While this is down from 9.54% in 2020, anything over 7% is considered to be well-capitalized. Our outstanding loan balances grew by \$6.43 million, a 6.76% increase. And deposits grew at an even faster pace, at \$14.53 million, an 11.92% increase compared to last year and a 29.91% increase over pre-pandemic numbers. Additionally, assets grew \$14.82 million – a 10.96% increase. This growth explains why Conservation Employees' loan-to-share ratio went down in 2021, from 78.05% to 74.45% – however, we're still performing better than other credit unions of our asset size in this category (62.66%), as well as all other credit unions in Missouri (66.88%). We were happy to welcome 145 (net) new members to the credit union, bringing our membership size to 8,790 strong at the end of 2021. Our members are our biggest advocates, and our growth reflects that.

Thank you for your continued support and patronage. We remain committed to providing personal financial service to every member and are honored to serve you.



Dennis Steward, Board Chairman



Kevin P. Brueseke, President

## YOUR CARD UNDER YOUR CONTROL



We offer two mobile apps – CardValet for credit cards and MobiMoney for debit cards – to manage your cards anytime, anywhere.

Download these FREE tools that allow you to control your cards. Turn them off and back on, set purchase limits, and control where your cards can be used! For example, you can prevent online purchases, or purchases being made when your mobile device and card aren't in the same location. To get an idea of how these services work, visit [cecuonline.org](http://cecuonline.org) and view our video tutorials. Go to Loans/Cards, then Visa Credit Cards for Card Valet, or Visa Debit Cards for MobiMoney.

## Love Your Vehicle & Your Payment We'll Give You \$200 Cash Back\*

If you love your vehicle (or soon-to-be-yours vehicle), but wish your payment was a better match for your budget, Conservation Employees' Credit Union can help!

Get \$200 cash back when you finance a vehicle with us, or bring us your auto loan from another lender!\*

Plus, you'll fall for our year-round loan benefits:

- Competitive rates
- Flexible repayment terms
- Optional low-cost loan protection
- And much more

Love your payment as much as you love your vehicle! Click, call, or stop by to take advantage of our cash-back offer



\*Offer valid 4/1/22-6/30/22 and subject to member eligibility and other factors. A minimum loan amount of \$10,000 is required. Current CECU vehicle loans ineligible for refinance. Member will receive rebate as an account deposit within 10 business days of loan closing.

### Board of Directors

Dennis Steward, Chairman  
Mary Lyon, Vice-Chairman  
Tamie St. John, Secretary/Treasurer  
Dennis Cooke, Director  
Heather Green, Director  
Todd Larivee, Director  
Rich Wehnes, Director

### Supervisory Committee

Pam Haverland, Chairperson  
Lisa Dunham, Member  
Shannon Haslag, Member  
Donna Linnenbrink, Member

### Credit Union Staff

Kevin Brueseke, President  
Kathy Kliethermes, Dir. of Office Admin  
Jessica Stuenkel, Branch Manager  
Ronda LePage, Lending-Vice Pres.  
Maureen Ball, Mortgage Loan Officer  
JoAnn Pointer, Mortgage Loan Officer  
Stacia Peters, Loan Officer  
Dawn Ellis, Card Services Coordinator  
Bethany Poe, Financial Services Specialist  
Harley Onstott, Financial Services Specialist  
Carol Kimball, Loan Processor  
Nick Bateman, Support Specialist  
Sharon Bax, Support Specialist  
Gary Standiford, Member Services Rep.  
Lisa Woodland, Member Services Rep.  
Sherry Jacquin, Member Services Rep.  
Mike Smith, Member Services Rep.  
Roger Luebbert, Financial Advisor

