



# Catholic United Financial CREDIT UNION

Your Full Service  
Catholic Credit Union

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# 2019 Annual Report

## 19th Annual Meeting of Members Order of Business

- |  |                                |  |                              |
|--|--------------------------------|--|------------------------------|
| I. Call to Order and Opening Prayer .....              | Chair Harald Borrmann          | VII. Report of the Supervisory Committee.. | Committee Chair George Gmach |
| II. Notice of Annual Meeting.....                      | Secretary/Treasurer Mike Ahles | VIII. Report of the President.....         | President Maureen Daehn      |
| III. Confirmation of Quorum .....                      | Secretary Ahles                | IX. New Business.....                      | Chair Borrmann               |
| IV. Approval of Annual Meeting Minutes from 2019 ..... | Chair Borrmann                 | XI. Open Forum .....                       | President Daehn              |
| V. Election.....                                       | Chair Borrmann                 | XII. Closing Prayer .....                  | Secretary Ahles              |
| VI. Report of the Board Chair .....                    | Chair Borrmann                 |  |                              |

## Annual Meeting Minutes of May 15, 2019

Chairman Harald Borrmann called the meeting to order at 9:35 a.m. and opened the meeting with a prayer. Harald Borrmann made opening remarks and asked for the Notice of the Annual Meeting. Secretary Michael Ahles confirmed that the date of May 15, 2019 conforms to the dates set in the bylaws in Section 1, Article III. Ahles reported 38 members signed in meets the 15 member requirement for a quorum. There was proper notice for the meeting sent to all members via their first quarter account statement mailing and via website.

The minutes of the 2018 Annual Meeting were published in the 2018 Annual Report. There was a motion to approve the minutes, it was seconded. Motion was passed.

Gary Gall, Michael McGovern and Deborah Gephart were nominated to serve another term. Motions were made and passed.

Chairman of the Board, Harald Borrmann, gave the Board Report. Borrmann said the Credit Union is doing very well and in great financial shape. He also pointed out record-breaking loan growth and that membership is up. Mr. Borrmann recognized the Credit Union staff and thanked them for their excellent member service.

George Gmach gave the Supervisory Committee Report to the members. He described how the Supervisory Committee is the eyes and ears of the Board. Gmach said the Credit Union is in compliance with all regulations and he commended the staff and management for this. State examiners gave the Credit Union an excellent rating for the 2018 examination.

Chairman Borrmann introduced President Terri Maloney. Maloney stressed that the Credit Union is committed to our field of membership. She showed several PowerPoint slides showing

some key milestones for 2018.

Maloney also previewed some new features in the Credit Union mobile app and reported the chipped debit cards will be in the mail in June.

Mark Cummings CEO of Minnesota Credit Union Network, the keynote speaker, described what MCUN does for Credit Unions in the state of Minnesota.

The floor was open to questions.

Meeting adjourned at 10:40 a.m.

Michael Ahles closed the meeting with a prayer.

Several door prizes were awarded.

### Present at the meeting:

- Chair Harald Borrmann
- Vice Chair Gary Gall
- Secretary/Treasurer Michael Ahles
- Director Deb Gephart
- Director Eugene Lieser
- Director Michael McGovern
- Director Peter Ryan
- President Terri Maloney

### Supervisory Committee Members:

- Chair George Gmach
- Member Dave Fadness
- Member Jim Gibbons

## Comparative Income / Expense Statement

	12/31/19	12/31/18
<b>Loan Interest Income</b>		
Used Vehicle	\$210,896	\$169,028
Real Estate	\$125,588	\$134,349
New Vehicle	\$65,733	\$44,615
Loans Purchased	\$60,840	\$47,371
Unsecured	\$39,513	\$37,247
Other Secured Loans	\$29,642	\$20,518
<b>Total Loan Interest Income</b>	<b>\$532,212</b>	<b>\$453,128</b>
<b>Total Investment Income</b>	<b>\$82,236</b>	<b>\$83,392</b>
<b>Total Interest Income</b>	<b>\$614,448</b>	<b>\$536,520</b>
<b>Total Dividend Expense</b>	<b>\$53,543</b>	<b>\$36,624</b>
<b>Net Interest Income</b>	<b>\$560,905</b>	<b>\$499,896</b>
<b>Total Other Income</b>	<b>\$296,378</b>	<b>\$284,686</b>
<b>Loan Loss</b>	<b>\$ -</b>	<b>\$61,611</b>
<b>Int. on Borrowed Funds</b>	<b>\$872</b>	<b>\$235</b>
<b>Operating Expenses</b>		
Compensation and Benefits	\$458,036	\$373,734
Travel and Training	\$7,674	\$5,687
Occupancy	\$18,413	\$18,478
Rent Expense St. Cloud	\$24,960	\$24,633
Operations	\$171,434	\$167,075
Marketing	\$7,792	\$5,028
Loan servicing	\$22,865	\$22,261
Professional Services	\$19,522	\$22,144
Bond Insurance	\$15,517	\$14,884
Operating Fees	\$574	\$938
Misc Expense	\$11,200	\$16,039
Check Card Losses	\$8,712	\$2,103
(Gain) Loss Disp Assets	\$-	\$-
<b>Total Operating Expense</b>	<b>\$766,699</b>	<b>\$673,004</b>
<b>Net Income</b>	<b>\$89,712</b>	<b>\$49,732</b>

## Comparative Balance Sheet

<b>Assets:</b>	12/31/19	12/31/18
<b>Loans</b>		
Used Vehicle	\$6,706,790	\$6,086,732
New Vehicle	\$2,748,900	\$1,967,774
Real Estate	\$2,248,255	\$2,591,833
Loans Purchased	\$926,875	\$634,111
Other Secured Loans	\$842,233	\$583,702
Unsecured	\$382,929	\$374,708
<b>Total Loans</b>	<b>\$13,855,982</b>	<b>\$ 12,238,860</b>
Allowance for Loan Loss	(\$44,825)	(\$46,435)
Acquisition Valuation ALL CCU	(\$102,022)	(\$115,405)
Cash and Certificates	\$4,330,954	\$4,590,975
Fixed Assets	\$27,668	\$47,737
Other Assets	\$310,500	\$257,323
<b>Total Assets</b>	<b>\$18,378,257</b>	<b>\$ 16,973,055</b>
<b>Liabilities and Equity</b>		
<b>Total Deposits</b>	<b>\$ 15,951,673</b>	<b>\$ 14,631,289</b>
Other Liabilities	\$22,077	\$26,972
Regular Reserves	\$118,884	\$118,884
Undivided Earnings	\$968,426	\$918,694
Equity Acquired in Merger - PCU	\$12,738	\$12,738
Equity Acquired in Merger - CCU	\$1,214,747	\$1,214,747
Earnings YTD	\$89,712	\$49,732
Unreal Gain/Loss Invest	\$-	\$-
<b>Total Liability and Equity</b>	<b>\$ 18,378,257</b>	<b>\$ 16,973,056</b>

## Our Mission

Build high-quality, lifetime relationships through providing exceptional products and services that enhance the financial lives of our Catholic communities.

