



# CU\*ANSWERS

# Financial Review

Third Fiscal Quarter 2024

April 1 – June 30, 2024

## Corporate Leaders

(Pictured left to right)

Geoff Johnson, CU\*Answers CEO

Linda Bodie, CU\*Answers Board Chair,  
CEO of Element Federal Credit Union



## On the Back



Board of Directors

Press Play

## Inside



Income Statement

Balance Sheet

Numbers Snapshot

## A Message from CEO Geoff Johnson

The heat of summer is currently hitting the greater Grand Rapids area. By the time you read this newsletter, we will be welcoming the beginning of fall, which means we will have completed our planning session with our Board of Directors and our investors.

October will see the release of CU\*BASE 24.10, which will feature several great enhancements including two-factor authentication for online banking login, a round-up enhancement for charitable contributions, and more!

As we round out the third fiscal quarter, I'd like to extend a warm welcome to the following four credit unions who recently joined the network: Calcom Federal Credit Union (Long Beach, CA), Generations United Federal Credit Union (New York City, NY), Casebine Community Credit Union (Burlington, IA), and Fox Federal Credit Union (Los Angeles, CA). Welcome aboard! The teams will onboard another six credit unions during the fourth quarter of our fiscal year.

We've received lots of positive buzz around this year's Leadership Conference. I'm happy to report that we were joined by 325 attendees from across the country – some who are close neighbors in Grand Rapids, others who traveled from as far away as Alaska. It's great to see so many members of the network participating in several awesome days of collaboration and partnership.

Conference materials from this year's event are now available on the CU\*Answers website – [check out some of the hot topics and exciting announcements from all of our teams](#). If you were unable to join us this year, the full 2024 PowerPoint is available for review as well.

Whether you were able to join us for the 2024 Leadership Conference or not, we hope you will mark your calendars for the

*Continued on back*

## A Message from Board Chair Linda Bodie

I'm incredibly excited about the future of our cooperative! Just when it seems we've reached new heights, we continue to surpass expectations and achieve even greater success. Today, our cooperative is healthier and stronger than ever before.

I felt it was the perfect time to take a deeper dive into what truly makes a cooperative healthy, how CU\*Answers measures up, and how these factors contribute to our continued growth and success.

Here's my perspective on where we stand today:

**Owner Engagement and Satisfaction:** CU\*Answers owners are deeply engaged and committed. If you missed our recent Leadership Conference, you missed a remarkable display of fellowship and a sharing of all the exciting developments happening within our cooperative.

**Financial Stability:** We maintain a robust financial position, characterized by consistent profitability, positive cash flow, and well-managed reserves. This financial strength not only supports the management of our assets and liabilities but also fuels ongoing investment in innovative products, services, and research and development.

**Strong Leadership and Management:** Effective leadership is the backbone of a healthy cooperative. Our management team ensures that CU\*Answers is well-run, responsive to the needs of our owners, and is always striving for excellence. We're fortunate to have a deep bench of innovative and thoughtful leaders driving us forward.

**Adaptability and Innovation:** A thriving cooperative adapts to

*Continued on back*

# Key Dates

## September 12

### Email Policy Updates, Best Practices, and Compliance

<https://www.cuanswers.com/resources/edu/courses/syllabi/?course=SE.2024.52>

## September 19

### Xpress Teller Techniques

<https://www.cuanswers.com/resources/edu/courses/syllabi/?course=1.40>

## September 20

### Education Around the Corner

<https://www.cuanswers.com/resources/edu/courses/syllabi/?course=ED.01>



# Income Statement

*The following financial figures are pre-audited*

|   | YTD<br>June 2024  | Budget<br>YTD     |
|---|-------------------|-------------------|
| <b>Income/Revenue</b>                                 |                   |                   |
| Total CU*BASE Revenue                                 | 41,793,578        | 41,730,461        |
| Total CNS/iSeries Revenue                             | 9,846,080         | 9,756,896         |
| Total External Business Revenue                       | 6,597,951         | 6,338,833         |
| Total Sales   | 58,237,610        | 57,826,190        |
| Total Cost of Goods Sold                              | 14,506,549        | 14,443,722        |
| <b>Gross Margin/Income</b>                            | <b>43,731,060</b> | <b>43,382,469</b> |
| <b>Expenses</b>                                       |                   |                   |
| Total Employee Expenses                               | 25,904,217        | 25,828,172        |
| Total Non-Employee Expenses                           | 8,626,052         | 8,671,056         |
| Total Operating Expenses                              | 34,530,269        | 34,499,228        |
| Total Other Expenses                                  | (377,798)         | (359,048)         |
| <b>Gross Expenses</b>                                 | <b>34,152,471</b> | <b>34,140,180</b> |
| <b>Net Income</b> <i>(before taxes and dividends)</i> | <b>9,578,589</b>  | <b>9,242,288</b>  |

## Stock Value

The book value of Class A ownership shares as of 9/30/23 is \$219,952.98.  
Ownership shares sell at \$465,000 or 2.11 times the book value.

# Balance Sheet

The following financial figures are pre-audited



## Current Month

June 2024

### Assets

|                               |                   |
|-------------------------------|-------------------|
| Total Cash/On-Demand Deposits | 15,055,611        |
| Total Investments             | 22,620,540        |
| Total Accounts Receivable     | 1,448,158         |
| Total Pre-Paid Assets         | 5,655,807         |
| Total Fixed Assets            | 8,391,194         |
| Total Other Assets            | 17,105,648        |
| <b>Total Assets</b>           | <b>70,276,958</b> |

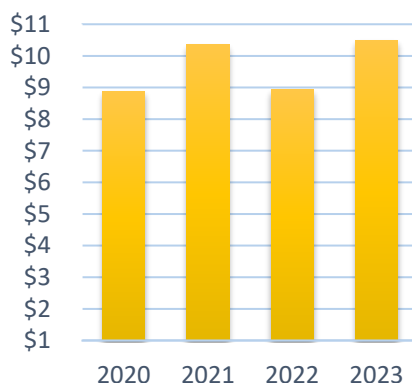
### Liabilities & Equity

|                                       |                   |
|---------------------------------------|-------------------|
| Total Short-Term Liabilities          | 15,648,993        |
| Total Long-Term Liabilities           | 16,164,264        |
| Total Liabilities                     | 31,813,257        |
| Total Equity                          | 38,463,701        |
| <b>Total Liabilities &amp; Equity</b> | <b>70,276,958</b> |

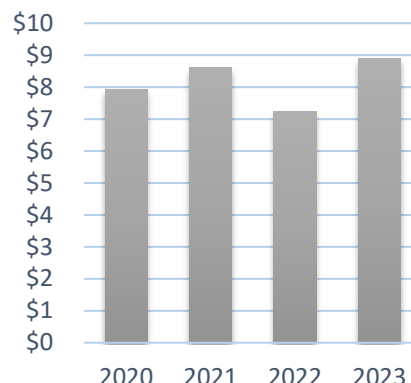
## Numbers Snapshot

(Numbers in millions)

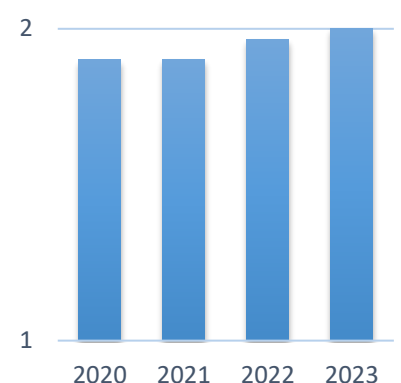
### Net Income



### Dividends Paid



### Members Served



2024 CEO Strategies event, which will be taking place in Salt Lake City, Utah, this October. Registration for CEO Strategies is open now – [visit the CU\\*Answers website for more details and hotel accommodations.](#)

2025 will mark the celebration of the 55<sup>th</sup> anniversary of our cooperative. We’re looking forward to celebrating with you, our credit union partners. We’ll have plenty to discuss with regards to our big projects, including CBX, multi-factor authentication, EFT enhancements, and a new class of 2024/2025 credit unions who will be joining the network.

Two for Tuesday will be celebrating its 150<sup>th</sup> episode soon! If you haven’t had a chance to check out this video series, I encourage you to tune in and hear from the many teams across CU\*Answers. Each episode includes details on hot topics and current events at the CUSO. (P.S. – each episode of Two for Tuesday clocks in at a breezy two minutes or less!)

As we look towards the end of the fiscal year, we expect a strong patronage return for our credit union partners. We’ll share more details about this in the next edition of the quarterly financial newsletter.

It’s been a great year for your network. Thanks for your continued participation – we appreciate all that you do! As always, don’t hesitate to reach out if you have any questions or concerns. Make it a great day!

changing market conditions, evolving owner needs, and external challenges. CU\*Answers embraces innovation to stay relevant and competitive, continually listening to our owners and working to improve the experience for everyone involved.

**Effective Communication:** We often joke about how CU\*Answers might be guilty of over-communicating, with the sheer volume of emails and updates making it challenging to keep up. But this abundance of information ensures that every owner stays informed and connected to the advancements and changes happening within our cooperative.

**Sustainable Growth:** CU\*Answers has established itself as a leader in the credit union core processor market, demonstrating remarkable resilience and strategic growth, even as the industry consolidates and the number of credit unions shrinks. While others struggle to maintain their footing, CU\*Answers has not only retained its market share but has consistently expanded its core base of credit unions.

Revisiting the markers of a healthy cooperative confirms what I’ve always believed: we have one of the strongest cooperatives in the nation. I urge each of you to remain actively involved and engaged, and to continue spreading the word to your peers. CU\*Answers has the power to help more credit unions thrive.

Thank you for your ownership and trust in CU\*Answers.



## Board of Directors

**Chair**

**Linda Bodie**

Element Federal Credit Union  
Charleston, West Virginia

**Vice Chair**

**Vickie Schmitzer**

Frankenmuth Credit Union  
Frankenmuth, Michigan

**Secretary/Treasurer**

**Kris Lewis**

Ignite Credit Union  
Allegan, Michigan

## 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

**Carolyn Mikesell**

Public Service Credit Union  
Fort Wayne, Indiana

## Associate Board Members

**Jeffrey Kusler**

Journey Federal Credit Union  
St. Johns, Michigan

**Bill Nikolauk**

1<sup>st</sup> Community Federal Credit Union  
San Angelo, Texas



## Press Play

Check out our latest video at:

<https://ondemand.cuanswers.com/9-60-developing-and-testing-the-business-continuity-plan/>