

93rd Annual Meeting

WEA Credit Union

May 22, 2024



**WEA Credit Union
93rd Annual Meeting
May 22, 2024
6:00 PM**

- | | |
|-----------------------------------|--------------------------|
| 1. Meeting called to order | Russell Allen, Chairman |
| 2. Report of Quorum | Kathryn Nauta, Secretary |
| 3. Introduction of Directors | |
| 4. Minutes of 2022 Annual Meeting | Kathryn Nauta, Secretary |
| 5. Reports | |
| a. Chairman's Report | Russell Allen |
| b. President's Report | Cassandra Thom |
| c. Treasurer's Report | Leigh Barker |
| d. Audit Report | Audit ThreeSixty |
| e. Loan Officers Report | Cassandra Thom |
| f. Election Results | Nominating Committee |
| 6. Old Business | |
| 7. New Business | |
| 8. Adjournment | |

**WEA Credit Union
92nd Annual Meeting
May 24, 2023**

1. The duly held 92nd Meeting called to order by Chairman Russell Allen at 6:05 pm.
2. Secretary Nauta announced that 18 members eligible to vote were present.
3. Chairman Allen Introduced the directors from the past year:
 - Russ Allen – Chairman
 - Ross Hampton – Vice Chairman
 - Doug Fritsch – Treasurer
 - Kathryn Nauta – Secretary
 - Leigh Barker – Director
 - Ryan Madden – Director
 - Terry Craney – Director
4. Minutes for the 2022 Annual Meeting were distributed electronically and in the meeting packet. Motion to accept the minutes by Mark Schrimpf, second by Doug Fritsch.
5. The following reports were distributed electronically:
 - a. Chairman’s Report
 - b. President’s Report
 - c. Treasurer’s Report
 - d. Audit Report – motion to approve the audit report by Cassie Thom, second by Dale Besler, carried.
 - e. Loan Officers Report
 - f. Election Results – Terry Craney, Ross Hampton and Doug Fritsch ran unopposed and were elected by acclamation. Leigh Barker, was elected to carry out the unexpired term of Joanne Fitzgerald and Ryan Madded to carry out the unexpired term of Mike Stoll. Motion

to approve the election by Dale Besler, second by Sean Merrigan, carried.

6. Old Business – There was no old business.

7. New Business

a. Presentation of plaque to Mark Schrimpf and thanking him for his service to the credit union as President/CEO for the last 19 years.

8. Adjournment – Motion by Dale Besler, second by Nicole Jenkins, carried.

2023 Chairman's Report

Russ Allen, Chairman

Over the past two or three years the comments that I wrote for the annual meetings were rather sobering. We faced the problems of Covid that included worker shortages, high inflation, supply chain problems, low rates of return on investments by the credit union, along with predictions of a likely recession. By 2024 conditions have stabilized, although inflation remains a significant problem for many, as demonstrated by rising costs of homes, rents, automobiles, and basic essentials.

At this time the indicators used to measure the performance of the WEA Credit Union continue to improve. We now obtain a greater return on investments. Likewise, our returns from loans have increased and delinquencies remain exceptionally low. For the past several months our new President and other staff members have worked within an environment that is more positive and moving in the right direction.

One of our biggest challenges continues to be our relatively small membership. We continue to have approximately 2,700 members. Although that number varies slightly from month to month, it has remained about the same for the thirteen years that I have been on the board.

In addition, the relatively older age of our membership is a problem because older members are less likely to take out loans, especially for home purchases or home improvements.

I want to end my comments by mentioning the death in 2023 of Doug Fritsch. Doug was on the board of directors for more than forty years, starting in 1982. To put that number into perspective, it's about equal to the combined service of all current board members. His service over four decades showed an amazing commitment to the WEA Credit Union.

I always considered Doug to be the credit union historian because often he would remind us that the issue, we were currently addressing had been discussed many times in the past. Doug's length of service is not likely to be beaten. I believe that I speak for all who worked with Doug over these many years by expressing gratitude for all he did for the WEA Credit Union.

2023 President's Report

Cassandra Thom, President

WEA Credit Union ended 2023 with assets of \$37.9 million, deposits of \$33.7 million, and loans of \$19.8 million. The credit union ended the year well capitalized, with a net capital ratio of 10.77%. Net capital is a ratio that helps measure the credit union's strength. It is the percentage of assets that are backed by capital. Over 7% capital is considered well capitalized.

The credit union delinquency was well controlled, ending the year at .06% of total loans. During 2023, loan staff made 1,333 loans for more than \$7.3 million, including advances on Line of Credit loans.

During 2023, the credit union opened 185 new member accounts. We continue to strive to be a full service financial to current and potential members. We continuously work on efforts to share everything that WEA Credit Union has to offer and bring new members in. We believe in helping our members improve and understand their financial position. We do this with the many products and services we provide.

The credit union is always looking to add new services or improve current services. In 2023 we introduced Portal Pay. Portal Pay gives members an online payment option for loan payments. Members can pay either with a debit/credit card or a checking account.

In conclusion, I would like to thank our staff, the volunteer board of directors and committee members for another great year of service. Without your guidance, help, and commitment the credit union could not operate.

Statement of Income & Expense December 31, 2023 and 2022

Income	2023	2022
Loan Income	894,359	748,378
Investment Income	460,115	227,939
Fee Income	39,341	40,891
Other Income	108,171	103,113
Total Income	1,501,986	1,120,321
Expense		
Salaries & Benefits	416,308	379,838
Office Operations	192,790	184,376
Rent	32,211	33,053
Loan Servicing Fees	96,825	100,740
Professional Fees	132,238	124,752
Education & Promotion	77,964	71,630
Chapter & League Dues	30,081	22,041
Provision for Loan Loss	14,884	12,877
Interest on Borrowed Money	16	
Member Insurance & Misc	1,797	2,579
Non-Operating Expense	379	(50)
Total Expense	995,493	931,836
Income	506,493	188,485
(Gain)/Loss on Sale of Assets	-	(2,500)
Distribution of Net Income		
Member Dividends	211,487	67,138
Regular Reserve Transfer		
Undivided Earnings Transfer	295,009	123,897
Total Distribution	506,496	191,035

Statement of Financial Condition December 31, 2023 and 2022

Assets	2023	2022
Loans	19,873,906	19,499,468
Allowance For Loan Loss	(100,732)	(101,219)
Cash	602,428	363,970
Investments	16,990,262	17,033,309
Prepaid Expenses	163,197	225,635
Furniture & Equipment	21,504	26,152
Accrued Income	106,015	75,618
Other Assets	340,883	327,483
Total Assets	37,997,463	37,450,416
Liabilities & Equity		
Notes Payable	0	0
Accounts Payable	222,661	71,089
Total Liabilities	222,661	71,089
Share Accounts	8,676,852	9,872,549
Checking Accounts	17,498,341	18,676,417
Share Certificates	6,188,963	3,524,460
IRA Accounts	1,316,597	1,462,071
Total Member Deposits	33,680,753	33,535,497
Regular Reserve	600,000	600,000
Undivided Earnings	3,494,053	3,243,832
Unrealized Gain on Investments	(3)	(3)
Total Reserves	4,094,050	3,843,829
Total Liabilities & Equity	37,997,464	37,450,416

July 26, 2023

WEA Credit Union
Madison, Wisconsin

Dear Credit Union Members,

I completed an agreed-upon procedures supervisory committee audit engagement for WEA Credit Union as of May 31, 2023.

The guidelines for the procedures used for this engagement are set forth by the Office of Credit Unions and NCUA. The engagement included procedures such as the following:

- Verification and reconciliation of cash accounts
- Verification and reconciliation of all investments
- Reading a sample of loan files to determine if loans are properly documented
- Reconciliation of loan subsidiary ledgers to the general ledger
- Reconciliation of deposit account subsidiary ledgers to the general ledger

The results of this agreed upon procedures engagement, including my comments and recommendations, are included in a report provided to the Board of Directors which is on file at the Credit Union.

I appreciate the opportunity to provide this service to your credit union.

Sincerely,

Peter Rasmussen, CIA, CFSA, CAMS

Peter Rasmussen

*Certified Internal Auditor
Certified Financial Services Auditor
Certified Anti-Money Laundering Specialist*

WEA Credit Union
Loan Officers Report
December 31, 2023

	Approved		Advances		Total		Denied	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
January	12	\$211,508.87	79	\$37,237.98	91	\$248,746.85	1	\$20,000.00
February	15	\$306,992.20	58	\$39,318.88	73	\$346,311.08	4	\$36,900.00
March	38	\$1,044,652.00	61	\$65,451.97	99	\$1,110,103.97	0	\$0.00
April	24	\$363,509.75	72	\$50,839.21	96	\$414,348.96	0	\$0.00
May	20	\$377,510.22	104	\$90,205.73	124	\$467,715.95	3	\$23,495.56
June	31	\$667,155.20	115	\$85,412.50	146	\$752,567.70	0	\$0.00
July	30	\$641,421.13	76	\$46,182.80	106	\$687,603.93	0	\$0.00
August	36	\$793,200.17	98	\$112,446.07	134	\$905,646.24	4	\$49,000.00
September	30	\$458,092.12	78	\$35,314.74	108	\$493,406.86	1	\$18,000.00
October	35	\$531,291.75	75	\$123,743.34	110	\$655,035.09	5	\$265,000.00
November	31	\$565,770.99	85	\$28,011.72	116	\$593,782.71	3	\$67,000.00
December	28	\$556,916.87	102	\$67,248.17	130	\$624,165.04	2	\$28,500.00
YTD	330	\$6,518,021.27	1003	\$781,413.11	1333	\$7,299,434.38	23	\$507,895.56

	Approved	App Amount	Advances	Adv Amount	Total	Total Amount	Denied	Denied Amount
2022 YTD	287	7,837,658	1012	720,574	1300	8,558,262	23	211,144
2021 YTD	295	8,548,241	919	543,596	1214	9,091,810	35	567,795
2020 YTD	309	8,239,203	1011	675,597	1320	8,914,530	46	646,303

