

# 2019 annual report

## chairman's report

On behalf of the Board of Directors of Kellogg Community Credit Union, I am pleased to report that 2019 was a successful year! As we have for 79 years, we remain committed to providing financial opportunity, choice, and lifelong value to our members. Our financial management and performance in 2019 was very strong! With 14.67% capital, KCCU is considered to be well capitalized by the regulators. Our membership growth remains strong, serving approximately 44,000 members at our 13 branch locations.



Gezon Parkway

2019 has been a busy year for Kellogg Community Credit Union. We opened our new stand-alone full-service branch on Gezon Parkway in Wyoming, Michigan. We added numerous services, including an online membership application, which allows new members to open their account with KCCU from start to finish all online. For added convenience we introduced e-sign, so members can securely receive, sign and return documents to the

credit union electronically. We enhanced our mobile app by adding access to e-Statements and Card Transaction Notifications which notifies members in real time when their debit or credit card is used. KCCU also partnered with the Secretary of State on a service that allows us to offer title processing, printing of Michigan Vehicle Registrations, and tab renewals.

KCCU is honored to serve and support the communities where we live and work. In 2019, our team members proudly volunteered over 850 hours in the communities we serve. KCCU and employees donated \$28,000 to the United Way and also held a diaper drive to support the United Way.

KCCU also provided support and donations to many other local charities and non-profit service organizations in 2019 such as American Cancer Society, Children's Miracle Network, Bronson Children's Hospital, First Day Shoe Fund, South Michigan Food Bank, and many other worthy organizations.

I would like to thank all of our outstanding KCCU team members for their continued loyalty and dedication to the credit union and its membership. I would also like to thank our Management Team, Volunteer Board, and Supervisory Committee, and most of all, you, our members for allowing us to serve your financial needs.

As always, we remain proud of our past and prepared for the future.

Pat Rolfe  
Chairman, Board of Directors

## community events



KCCU sponsored a variety of community events, including a Diaper Drive



KCCU hosted Dollar Dog Kids Day



KCCU and employees proudly donated \$28,000 to the United Way



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**Routing & Transit** 272476734  
kelloggccu.org

## OUR VISION...

“Providing financial opportunity, choice, and lifelong value to our members and our community.”

# financial statement

december 31, 2019

	12/31/2019	12/31/2018
<i>Assets</i>		
Loans	\$ 401,423,021	\$ 354,601,278
Less: Allowance for Loan Loss	(2,027,106)	(1,996,788)
Investments	180,502,361	142,243,106
Cash	32,827,135	16,040,483
Building and Land	11,489,104	10,231,521
Furniture and Equipment	1,890,903	1,948,342
N.C.U.S.I.F.	4,559,585	4,123,412
Other Assets	6,442,771	4,066,800
<b>TOTAL ASSETS</b>	<b>\$ 637,107,774</b>	<b>\$ 531,258,154</b>
<i>Liabilities and Capital</i>		
Other Liabilities	\$ 7,882,076	\$ 7,310,889
Shares and Certificates	535,785,396	439,814,848
<b>TOTAL LIABILITIES, SHARES, AND CERTIFICATES</b>	<b>\$ 543,667,472</b>	<b>\$ 447,125,737</b>
Regular Reserves	3,967,060	3,967,060
Undivided Earnings	88,974,593	81,340,641
Unrealized Gain/Loss, Post Retirement	(350,566)	(304,799)
AFS Securities	849,215	(870,485)
<b>TOTAL CAPITAL</b>	<b>\$ 93,440,302</b>	<b>\$ 84,132,417</b>
<b>TOTAL LIABILITIES AND CAPITAL</b>	<b>\$ 637,107,774</b>	<b>\$ 531,258,154</b>
<i>Earnings</i>		
Interest on Loans	18,561,392	15,922,478
Income from Investments	4,693,892	3,486,075
Other Income	8,589,782	8,515,064
<b>TOTAL INCOME</b>	<b>\$ 31,845,066</b>	<b>\$ 27,923,617</b>
<b>TOTAL EXPENSES</b>	<b>(18,826,051)</b>	<b>(16,868,401)</b>
Non-Operating Gain	23,066	92,773
Net Earnings before Dividends	\$ 13,042,081	\$ 11,147,989
<i>Distribution of Net Earnings</i>		
To Reserves (Net)	—	—
Dividends	5,408,109	3,075,742
To Undivided Earnings (Net)	7,633,972	8,072,247
<b>TOTAL DISTRIBUTION</b>	<b>\$ 13,042,081</b>	<b>\$ 11,147,989</b>

## supervisory committee report

The Supervisory Committee is responsible for ensuring the credit union's financial statements, taken as a whole, fairly represent the financial position and conforms to generally accepted accounting principles.

The Supervisory Committee contracted with the accounting firm of Doeren Mayhew to conduct the annual financial audit of the credit union. The most recent audit, which received an unqualified opinion, was for the period ending September 30, 2019, and included a verification of members' accounts, as mandated in the Credit Union Act.

Due to the size and complexity of the credit union, the Supervisory Committee contracted with Plante Moran to conduct internal audit activities during 2019. The internal audit involves more closely reviewing internal functions, policies, and procedures performed on a daily basis.

Carol Casey  
Chairperson, Supervisory Committee



## board of directors

Henry (Pat) Rolfe, *Chairman*  
Richard A. Smith, *Vice Chairman*  
Roger M. Pitzer, *Treasurer*  
Larry V. Hawblitz, *Secretary*  
E. Paul Chambers, *Director*  
James E. Demarest, *Director*  
Steve J. Shepard, *Director*  
Melissa Miller, *Director*  
Jack Hagist, *Director*

## supervisory committee

Carol Casey, *Chairperson*  
Mike Bouma, *Committee Person*  
Melissa Miller, *Committee Person*

## locations

**Battle Creek** 41 Second Street  
6427 B Drive North  
1425 Capital Avenue NE  
2925 W. Dickman Road  
51 W. Michigan Avenue

**Grand Rapids** 5300 Patterson Avenue SE  
2270 Gezon Parkway SW

**Kalamazoo** 2925 Oakland Drive  
1650 S. Drake Road  
5067 Gull Road

**Marshall** 15877 W. Michigan Avenue

**Portage** 499 Romence Road

**Three Rivers** 915 W. Michigan Avenue

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