

2023 annual report

chairman's report

On behalf of the Board of Directors of Kellogg Community Credit Union, I am pleased to report that 2023 was a successful year for the credit union! As we have for 83 years, we remain committed to providing financial opportunity, choice, and lifelong value to our members. In 2023 our financial management and performance was strong. KCCU enjoyed nearly 4% loan growth, and with 15.75% capital, is considered well capitalized by the regulators. Our membership growth remains strong, serving over 52,000 members at our 12 branch locations.

2023 was a busy year for KCCU. In the spring we opened a new full-service branch in Richland, as well as added our first Interactive Teller Machines (ITMs). ITMs offer the functionality of an ATM but with the personal touch of a live teller to assist members during their transactions. KCCU now offers ITMs at five of our branch locations. We are also thrilled to share that in 2023 KCCU was approved to expand our field of membership to cover the entire state of Michigan.

To help our members earn more for their money KCCU increased the rate of our eChecking product to 5.25% APY*, we also added new Money Market Max products for both our retail and business members. This past year, KCCU partnered with Zogo Financial to provide a free app that offers financial literacy lessons for our members and the community.

KCCU is honored to serve and support the communities where we live and work. Throughout the year we held various drives to support the needs of the community and collected items such as non-perishable food, essential goods, pet care items, toys for children, as well as coats and cold weather gear to distribute to those in need. KCCU also supported a variety of local charities and non-profit service organizations, such as: South Michigan Food Bank, Exodus Place, Bronson Children's hospital, Safe Place, Big Brothers Big Sisters, Charitable Union, Salvation Army, Battle Creek Homeless Shelter, and many other worthy organizations.

I would like to thank all 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



Celebrating the Richland branch ribbon cutting



KCCU Team Members present a check to Feeding America West Michigan.



KCCU hosted a Chamber Connect Event and presented a check to Animal Rescue Project.



Mailing Address P.O. Box 140
Battle Creek, MI 49016-0140
Telephone 269.968.9251 • 800.854.5421
Routing & Transit 272476734
kccu4u.org

*APY=Annual Percentage Yield.

OUR VISION...

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

financial statement

december 31, 2023

	12/31/2023	12/31/2022
Assets		
Loans	\$ 645,999,301	\$ 621,099,794
Less: Allowance for Loan Loss	(4,352,000)	(2,673,090)
Investments	114,954,103	145,789,829
Cash	71,837,224	38,141,832
Fixed Assets	15,761,213	16,210,418
N.C.U.S.I.F.	6,549,871	6,507,714
Other Assets	6,666,494	5,684,068
TOTAL ASSETS	\$ 857,416,206	\$ 830,760,566
Liabilities and Capital		
Other Liabilities	\$ 12,515,328	\$ 13,127,997
Shares and Certificates	718,723,769	703,140,498
TOTAL LIABILITIES, SHARES, AND CERTIFICATES	\$ 731,239,097	\$ 716,268,495
Regular Reserves	\$ 3,967,060	\$ 3,967,060
Undivided Earnings	131,112,643	120,273,857
Unrealized Gain/Loss, Post Retirement	(112,194)	(92,657)
Unrealized Gain/Loss, AFS Securities	(8,790,400)	(9,656,190)
TOTAL CAPITAL	\$ 126,177,109	\$ 114,492,070
TOTAL LIABILITIES AND CAPITAL	\$ 857,416,206	\$ 830,760,566
Earnings		
Interest on Loans	\$ 30,680,034	\$ 25,435,137
Income from Investments	5,070,796	3,457,930
Other Income	11,076,694	11,165,598
TOTAL INCOME	\$ 46,827,524	\$ 40,058,664
TOTAL EXPENSES	\$ (24,468,021)	\$ (23,236,036)
Non-Operating Gain	322,011	371,423
Net Earnings before Dividends	\$ 22,681,515	\$ 17,194,052
Distribution of Net Earnings		
To Reserves (Net)		
Dividends	\$ 10,014,380	\$ 4,266,978
To Undivided Earnings (Net)	12,667,134	12,927,074
TOTAL DISTRIBUTION	\$ 22,681,515	\$ 17,194,052

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, 2023, 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 2023. 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*
Marie Smith, *Vice Chairman*
Roger M. Pitzer, *Treasurer*
Melissa Miller, *Secretary*
Carol Casey, *Director*
E. Paul Chambers, *Director*
Mike Bouma, *Director*
CJ Demarest, *Director*
Joseph (Seph) Dabrowski, *Director*
Richard A. Smith, *Emeritus Director*
Larry V. Hawblitz, *Emeritus Director*

supervisory committee

Carol Casey, *Chairperson*
Trey Junkins, *Secretary*
Stephanie Cornish, *Committee Member*