

2022 annual report

chairman's report

On behalf of the Board of Directors of Kellogg Community Credit Union, I am pleased to report that 2022 was a successful year for the credit union! As we have for 82 years, we remain committed to providing financial opportunity, choice, and lifelong value to our members. In 2022 our financial management and performance was strong. KCCU enjoyed nearly 13% loan growth, and with 14.96% capital, is considered well capitalized by the regulators. Our membership growth remains strong, serving over 50,000 members at our 13 branch locations.

2022 was a busy year for KCCU. We enhanced, as well as introduced, several new products and services. An Adjustable-Rate Mortgage product was added to assist members with home financing. We launched our green auto loan program, where members can receive a .25% rate reduction when they finance an electric or hybrid vehicle with KCCU. Early in the year we raised the annual percentage yield of our eChecking account from 4% to 4.25% which is one of the leading rates for high dividend checking in our market. We also upgraded the Mobile App by providing additional functionality for member convenience. In August we relocated our Marshall branch, which allowed us to add drive thru service and a drive-up ATM to better serve our members in the Marshall community.

This past year, KCCU was honored to receive several awards, including Southwest Michigan First's Best Place to Work award, Callahan & Associates Top 10 in Member Value, and Member XP's Best Member Experience Award! These awards support the mission of KCCU, as we always strive to provide the best value and service for our members, while providing a great work culture for our team.

KCCU proudly serves and supports the communities where we live and work. We supported a variety of local charities and non-profit service organizations, such as: the Battle Creek Community Foundation, South Michigan Food Bank, Speak it Forward, Charitable Union, the Salvation Army, Battle Creek Homeless Shelter, Bronson Children's hospital, 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



Southwest Michigan First Presents KCCU with "Best Place to Work" award



Ribbon Cutting Ceremony at the new Marshall location.



KCCU donated items to the Battle Creek Homeless Shelter.



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OUR VISION...

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

financial statement

december 31, 2022

	12/31/2022	12/31/2021
<i>Assets</i>		
Loans	\$ 621,099,794	\$ 551,775,047
Less: Allowance for Loan Loss	(2,673,090)	(2,765,269)
Investments	145,789,829	198,502,997
Cash	38,141,832	47,175,314
Fixed Assets	16,210,418	12,717,483
N.C.U.S.I.F.	6,507,714	6,139,389
Other Assets	5,684,068	4,545,791
TOTAL ASSETS	\$ 830,760,566	\$ 818,090,752
<i>Liabilities and Capital</i>		
Other Liabilities	13,127,997	5,929,085
Shares and Certificates	703,140,498	700,991,585
TOTAL LIABILITIES, SHARES, AND CERTIFICATES	\$ 716,268,495	\$ 706,920,670
Regular Reserves	3,967,060	3,967,060
Undivided Earnings	120,273,857	107,346,784
Unrealized Gain/Loss, Post Retirement	(92,657)	(439,626)
Unrealized Gain/Loss, AFS Securities	(9,656,190)	295,864
TOTAL CAPITAL	\$ 114,492,070	\$ 111,170,082
TOTAL LIABILITIES AND CAPITAL	\$ 830,760,566	\$ 818,090,752
<i>Earnings</i>		
Interest on Loans	25,435,137	22,504,519
Income from Investments	3,457,930	2,503,423
Other Income	11,165,598	11,605,281
TOTAL INCOME	\$ 40,058,664	\$ 36,613,223
TOTAL EXPENSES	(23,236,036)	(22,291,982)
Non-Operating Gain	371,423	83,069
Net Earnings before Dividends	\$ 17,194,052	\$ 14,404,310
<i>Distribution of Net Earnings</i>		
To Reserves (Net)		
Dividends	4,266,978	3,832,248
To Undivided Earnings (Net)	12,927,074	10,572,062
TOTAL DISTRIBUTION	\$ 17,194,052	\$ 14,404,310

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, 2022, 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 2022. 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*
CJ Demarest, *Committee Member*
Joseph (Seph) Dabrowski, *Committee Member*



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 107 N. Park Avenue
Portage 499 Romance Road
Three Rivers 915 W. Michigan Avenue

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