



Branch Locations

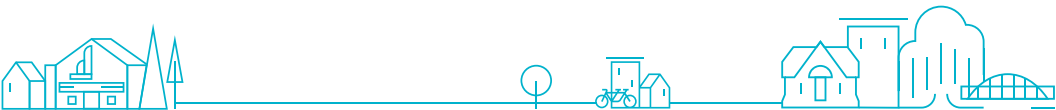
Creston Branch

1619 Plainfield Ave NE
Grand Rapids, MI 49505

Cedar Springs Branch

13819 White Creek Ave
Cedar Springs, MI 49319

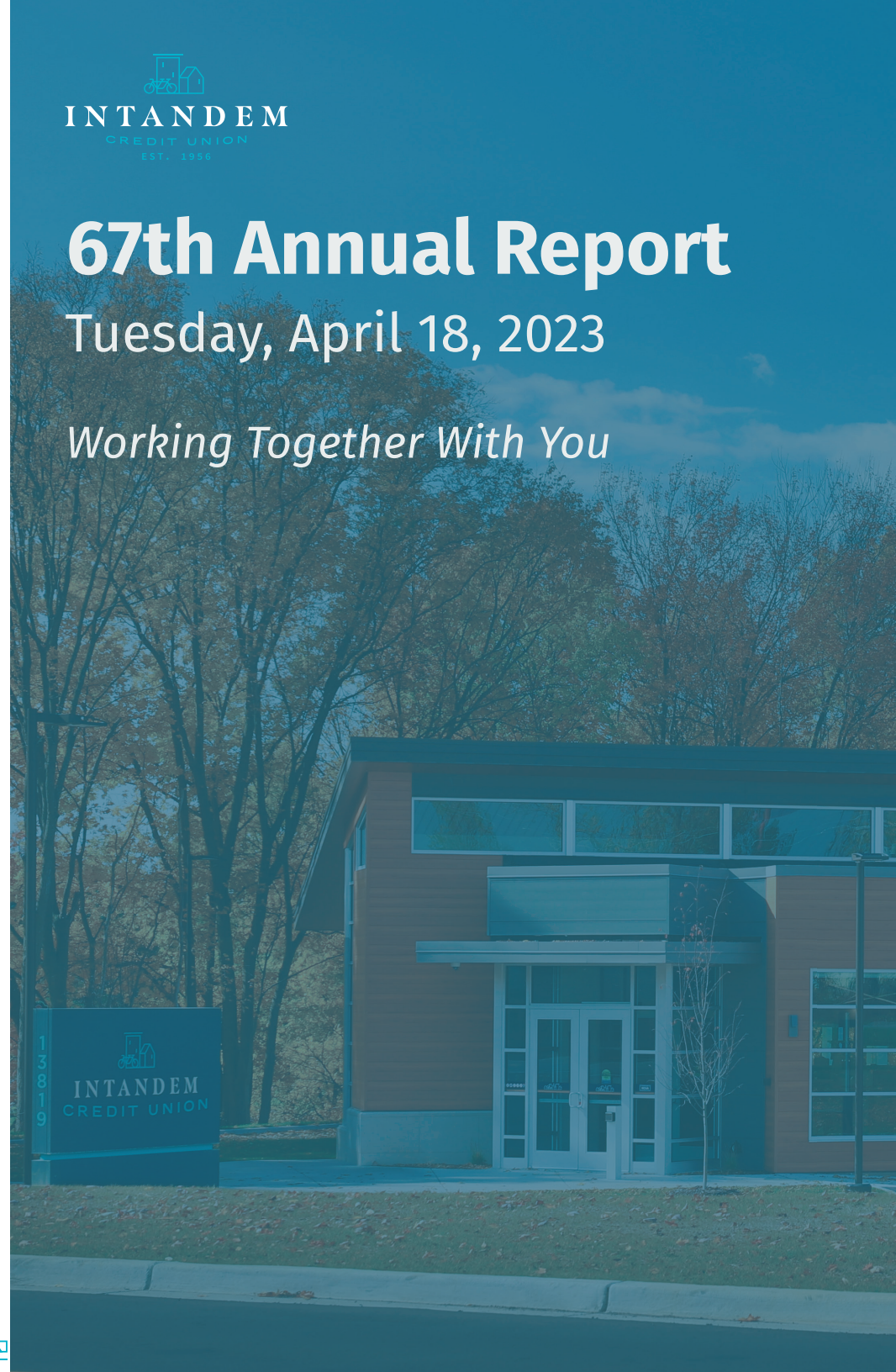
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67th Annual Report

Tuesday, April 18, 2023

Working Together With You



Intandem Credit Union

Board of Directors

Chairperson: Jon Denhof

Vice Chairperson: Liz Winninger

Treasurer: Vicki Seidl

Secretary: Kristian Daniel

Director: Al Jano

Director: Dan Kent

Director: Dan Kendall

2023 Annual Meeting Agenda

1. Call to Order - Jon Denhof, Chairperson
2. Directors Roll Call - Kristian Daniel, Secretary
3. Minutes of the Last Annual Meeting - Jon Denhof, Chairperson
4. Approval of Financial Statements - Jon Denhof, Chairperson
5. Report of the Chairperson - Jon Denhof, Chairperson
6. Report of the Chief Executive Officer - Kristen Plichta, CEO
7. Elections - Al Jano, Nominating Committee Chair
8. Unfinished Business - Jon Denhof, Chairperson
9. New Business - Jon Denhof, Chairperson
 - Review Intandem Credit Union ByLaws changes
10. Adjournment - Jon Denhof, Chairperson

Meeting Minutes

Intandem Credit Union
66th Annual Membership Meeting
Tuesday, April 19, 2022
Conducted via Zoom Webinar

I. Call to Order

The 66th Annual Membership Meeting was held via zoom webinar due to the continued safety concerns surrounding COVID-19. The meeting was called to order by Chairperson Jon Denhof at 6:00 p.m. on Tuesday, April 19, 2022.

II. Directors Roll Call & Introductions – Vicki Seidl

Board members present were Jon Denhof, Chairperson; Liz Winninger, Vice Chair; Vicki Seidl, Secretary; Kristian Daniel, Treasurer; Dan Kendall, Al Jano, Dan Kent. A quorum was established. There were 26 members present.

III. Minutes of the last Annual Membership Meeting

The Minutes of the 65th Annual Membership Meeting were accepted as printed in the program on a motion by Al Jano, seconded by Jayne O'Rourke. None opposed, motion carried.

IV. Financial Statements

The Financial Statements were made available to all present, and Jon Denhof confirmed that all had a chance to review the report. It was moved by Kristian Daniel with support from Jayne O'Rourke to accept the Financial Statements. None opposed, motion carried.

V. Report of the Chairperson

Jon Denhof, board chair, presented the Chairperson's Report. The report was also available in written format. It was moved by Al Jano with support from Kristian Daniel to accept the Chairperson's Report. None opposed, motion carried.

VI. Report of Chief Executive Officer (CEO)

Barbara Page, CEO then presented the CEO's Report. The report was also available in written format. It was moved by Mackenzie Horton, with support by Jayne O'Rourke, to accept the Chief Executive Officer Report. None opposed, motion carried.

VII. Elections

Liz Winninger, Chairperson of the Nominating Committee read the nominations for two (2) board seats:

Each year there are two or three board seats up for election. We request interested individuals to submit a letter of interest in order to be placed on the ballot.

Incumbents for 2022 are Al Jano and Dan Kent. Each nominee has agreed to serve a 3-year term.

Nominations are not permitted from the floor and will not be requested. Interested individuals may request a copy of our by-laws which require nomination to be made prior to the annual meeting. There were no nominations submitted.

Liz Winner made the motion to cast a unanimous vote to re-elect Al Jano and Dan Kent to three-year terms of the Intandem Credit Union Board of Directors, McKenzie Horton supporting. None opposed, motion carried.

VIII. Old Business

There was no old or unfinished business to discuss.

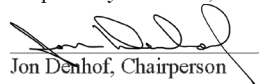
IX. New Business

There was one informational item to report, Intandem Credit Union Bylaw update: As part of our ongoing due diligence the credit union hired counsel to assist in the updating of our bylaws in accordance with the Michigan Credit Union Act. The bylaws were approved by unanimous vote of the Board of Directors on December 22, 2021, with final approval from DIFS on January 5, 2022. Articles 1,2,3,4,5,6,7,8,10 and 11 were updated. The bylaws are available for by any member at the Plainfield office during normal business hours.

X. Adjournment

There being no further business to come before the membership, Kristian Daniel motioned to adjourn the meeting. Motion carried with adjournment at 6:23 p.m.

Respectfully submitted,


Jon Denhof, Chairperson



Kristen Plichta, Recording Secretary

Audit Report

The purpose of a Supervisory Committee is to maintain quality systems of checks and balances, ensure the accumulation and retention of accurate records and protect member's funds. Since the credit union does not have an official supervisory committee, these duties fall to the full Board of Directors. The directors reflect upon 2022 in this audit report.

At the request of the Board Chairperson, an audit was performed in 2022 by Doeren Mayhew CPAs and Advisors. A final report was furnished to the Chair of the Board of Directors.

The Board has found the credit union's overall procedures and controls to be in good condition. The credit union records have been found to be maintained properly, honestly, and accurately. Policies established by law and by the Board of Directors are carried out faithfully, and with certainty, members' assets are safeguarded and used according to the purposes of the credit union. We commend the Staff and Management Team for their dedication and service.

On behalf on the entire board, we remain committed to you - our member-owners, and the mission, vision and values that form the foundation of Intandem Credit Union.

Respectfully Submitted,


Jon Denhof, Board Chairperson

Balance Sheet Comparison

Intandem Credit Union Balance Sheet Comparison - Condensed

	Actual 12/2022	Actual 12/2021
Assets		
Cash	475,713.32	549,148.83
Investments	23,620,394.64	28,163,175.41
Unreal G/L AFS Invest	(79,872.77)	0.00
Net Total Investments	\$23,540,521.87	\$28,163,175.41
Loans		
Real Estate Loans	23,503,233.41	21,304,777.73
Line of Credit Loans	2,344,703.22	2,201,107.71
Other Loans	16,462,944.56	14,829,512.58
Total Loans:	\$42,310,881.19	\$38,335,398.02
Allowance for Loan Loss	(144,756.21)	(167,771.43)
Net Total Loans	\$42,166,124.98	\$38,167,626.59
Non-Interest Bearing Assets		
Fixed Assets	4,088,564.70	1,744,900.61
Other Assets	2,418,543.05	2,219,394.02
Total Non-Interest Bearing Assets:	\$6,507,107.75	\$3,964,294.63
Total Assets:	\$72,689,467.92	\$70,844,245.46
Liabilities Shares and Equity		
Liabilities		
Borrowings	52,841.11	45,966.53
Other Liabilities	701,547.43	592,317.03
Total Liabilities:	\$754,388.54	\$638,283.56
Shares	64,766,796.02	63,518,695.26
Equity	7,168,283.36	6,687,266.64
Total Liabilities Shares and Equity:	\$72,689,467.92	\$70,844,245.46

Income Statement Comparison

Intandem Credit Union Income Statement Comparison - Condensed

	Actual 01/2022 - 12/2022	Actual 01/2021 - 12/2021
Interest Income		
Interest On Loans		
Real Estate Loans	825,525.25	738,759.37
Line of Credit Loans	232,225.58	204,779.61
Other Loans	848,754.89	864,939.55
Total Interest On Loans:	\$1,906,505.72	\$1,808,478.53
Investments	479,837.26	434,098.58
Total Interest Income:	\$2,386,342.98	\$2,242,577.11
Interest Expense		
Dividends on Shares	84,020.22	65,887.92
Interest on Borrowed Money	0.03	0.00
Total Interest Expense:	\$84,020.25	\$65,887.92
Net Interest Income:	\$2,302,322.73	\$2,176,689.19
Provision for Loan Losses	60,909.19	33,520.36
Net Interest Income After PLL:	\$2,241,413.54	\$2,143,168.83
Non-Interest Income	1,118,690.31	971,537.21
Non-Interest Expense	2,799,214.36	2,499,266.61
Net Income(Loss) Before Extraordinary Expense	\$560,889.49	\$615,439.43
NCUSIF Stabilization Expense	0.00	0.00
Net Income(Loss):	\$560,889.49	\$615,439.43
Reserve Transfer	0.00	0.00
Net Income(Loss) After Reserve Transfer:	\$560,889.49	\$615,439.43

Treasurer's Report

The credit union remains in strong financial condition. Even with the rise in interest rates over the course of 2022, loan balances increased by 10.37%. Subsequently, gross income rose by 9.05% from the previous year. Expenses were higher in 2022 and net income decreased by 8.86% from 2021. This was expected in a year of transition and investment to prepare us for growth. The year ended with a strong net income of \$560,899 and a very respectable ROA of 0.78%.

The credit union's Net Worth (or Capital) ratio, which calculates Net Worth as a percentage of Total Assets was 9.86% at the end of 2022, qualifying the credit union as "well capitalized" under NCUA guidelines. Assets grew by 2.60% to \$72,689,468 in 2022, which is a modest gain, but not entirely unwelcome in a rising rate environment.

For many credit unions, liquidity became a concern throughout 2022. Lending increased unexpectedly as rates rose and consumers turned to credit unions which generally offer below-market rates. Vehicle availability started to recover after a supply shortage and customers were willing to spend. Add to that, the fact that many credit unions invested heavily to replace interest income when lending was scarce, and cash reserves started to dwindle. Intandem was able to stay ahead of the liquidity crunch by carefully pricing our loans and was able to avoid a borrowing situation while also taking advantage of income-generating investments.

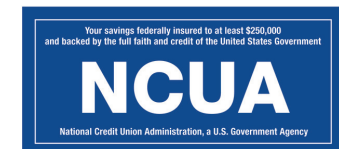
As the possibility of a recession looms, and with continued uncertainty regarding inflation and rates, your Board of Directors remains confident in management's ability to navigate these trying times. Financial audits and examinations are yielding positive results and we remain committed to safe and sound practices.

We appreciate and thank you for your membership and giving us the opportunity to grow stronger together.

Respectfully Submitted,



Vicki Seidl, Treasurer



Letter from the Chairperson

On behalf of your Board of Directors, I would like to share some noteworthy highlights from this past year. 2022 has truly been a transition year for Intandem Credit Union. As Directors, we are charged with the responsibility to shepherd our Credit Union through change, and to assure a strong and prosperous future for our members.

The Board has facilitated a very smooth transition in replacing our now retired Chief Executive Officer, Barbara Page. We are gratified that Kristen Plichta, our new CEO, possesses a wealth of experience along with outstanding leadership qualities. She has earned the full confidence of the Board as she leads our Credit Union into a very bright future. Since her appointment, Kristen is demonstrating these leadership qualities as she embraces and executes the goals set by the Board.

Because of our financial strength, we have had the resources to make substantial investments in facilities over the past two years. As a result, we are realizing greater efficiencies and effectiveness in serving the financial needs of our members. A high priority in our facility upgrades was safety and security for our employees. We are very fortunate to have employees who are well-trained and highly effective. With their outstanding skills and professionalism, our employees bring a high level of service to our members.

With diligent work by our management team, Intandem Credit Union was granted an expansion in our charter this past year. With this expanded charter, our potential field of membership expands and positions our Credit Union to continue our growth. Our growth will translate to even greater financial services for our members.

The Board is confident that with the course we have set for the future Intandem Credit Union will continue to meet and exceed the financial needs of our members. As always, the Board of Directors appreciates the trust and confidence our members place in Intandem Credit Union.



Jon Denhof Board Chairperson



Letter from the CEO

2022 was a momentous year for Intandem Credit Union. A CEO transition, the opening of a beautiful new branch in Cedar Springs, and a Field of Membership expansion were the biggest highlights of the year. By themselves, these three things could be considered quite an accomplishment for a credit union of our size. But the hard-working and dedicated team at Intandem pushed the boundaries and accomplished many other strategic goals designed to set us up for long-term growth.

The team completed a full revision of our account agreements and applications. The effect of this was two-fold: we reduced compliance and reputation risk while also mapping applications into our core processing system and eliminating additional paper member files. Early in the year, we began offering trust and fiduciary accounts for Conservator, Guardian, and Estate accounts. This account project was rounded out by the launch of small business accounts which officially got off the ground very early in 2023.

Another exciting development was the addition of online account opening. This project was critical to support our Field of Membership application with our state regulator, the Department of Insurance and Financial Services (DIFS). Our service area expanded from Kent County to an additional 12 counties. We are now proud to serve the counties of Allegan, Barry, Ionia, Lake, Kent, Mason, Mecosta, Montcalm, Muskegon, Newaygo, Oceana, Osceola, and Ottawa. As we have no immediate plans to build branches, a process for opening accounts safely and securely online was necessary.

Online account opening was not only necessary for the service expansion but necessary to stay competitive in general. In a world in which we're competing not only with other credit unions (large and small), community banks, and large national banks, we are also competing with online-only financial institutions that can keep their overhead very low and offer a full suite of services over the internet. We will continue to work on staying relevant and delivering the services that consumers demand.

Credit unions are unique in the financial institution landscape in that we are generally cooperative with each other. In the past, credit unions rarely competed for membership due to very restrictive charters. Resources were slim and a culture of cooperation between credit unions emerged so that individual strengths could be leveraged to benefit the whole. As regulations changed, charters began expanding and competition increased. However, the cooperative spirit still exists today. It is still possible for a small asset-size credit union like Intandem to offer products and services on the same scale as any competitor.

Potential members still often see credit unions as not being able to offer sophisticated banking tools. We hope to dispel that myth. Intandem offers online banking and mobile banking with debit and credit card controls and a mobile check deposit feature. We offer online account openings, online consumer loan applications and funding, and online mortgage applications. Bill pay, person-to-person payments, and digital wallets (Apple, Samsung, and Google Pay) are also available and rival those of any large institution.

But we still believe in the power of face-to-face in-person meetings. We still believe in having a physical presence in a community, and in being a true partner in a community's development. We believe that offering low-cost, high-reward products and services to a community only makes us stronger.

Strategically, we are expanding into traditionally underserved communities to provide options where few currently exist. We believe that people deserve options. As more rural communities surrounding Kent County grow in size and complexity, we also believe the demand for more options is there. We are optimistic about new account growth trends in some of our new service areas, much of which can be attributed to an enhanced focus on digital marketing and the support of community events.

Also in 2022, we were thrilled to welcome our new VP of Operations, Becky Goodwin. We believe that a credit union is only as strong as its people, and Becky brings with her many years of experience in credit union training and development. We believe in empowerment, collaboration, and providing a safe and supportive environment where our team is encouraged to learn and grow. We believe Becky will be instrumental in creating a workplace that inspires engagement and attachment to our vision – “To improve the lives of our neighbors and strengthen the communities we serve”.

With all that we’ve accomplished to set ourselves up for growth, we are extremely proud to say that we continue to do so in a safe and sound manner. The credit union regulatory burden is great, and we have an amazing team of knowledgeable leaders who understand that compliance isn’t just about checking boxes, it’s about protecting our members and the credit union’s legacy. Providing high-level, member-centric service can be a real challenge in such a controlled environment, and we strive every day to strike the right balance and exceed expectations in every interaction.

Your Board of Directors is ultimately responsible for the direction of the credit union, and it is my great pleasure to work with and for such dedicated volunteers. They selflessly share their time and expertise in service for a strong future for our members, our team, and the credit union as a whole. I am in awe every day of the amazing team of people we have on staff who are engaged in our mission and take such pride in the work they do. I am appreciative of the opportunity to lead Intandem into our 68th year and beyond and thank every one of you for your membership.

Respectfully Submitted,



Kristen Plichta, President/CEO



Highlights from 2022

- Opened new Cedar Springs Stand Alone Building
- Implemented Online Account Opening
- Expanded our Charter to 12 new Counties
- Donated over \$3,000 to support community organizations

#RandomActsofKindness

- Michigan Veteran Homes of Grand Rapids Life Enrichment Fund
- Kent County Animal Shelter
- Children’s Advocacy Center of Kent County
- Helen Devos Children’s Hospital Foundation
- Creston Neighborhood Association
- Creston Business Association
- Lions & Rabbits
- Cedar Springs Chamber of Commerce
- Sparta Chamber of Commerce
- North Kent Connection (Holiday collections for Northern Kent County)
- St. Alphonsus Community Holiday Store
- Grand Rapids Schools Coat Drive
- North End Wellness Coalition
- Michigan Credit Union Foundation
- Michigan Credit Union League
- State Legislative Action Fund
- Michigan Credit Union League
- Federal Legislative Action Fund



Testimonials

- "Just a quick note to let you know how grateful we are for Kourtney’s help with a wire transfer today. She went way above and beyond to accomplish what we needed in the short amount of time we had. If not for her help we wouldn’t be able to close on our new condo purchase on Monday as we had planned. Because of her efforts we are relieved and happy and will have an enjoyable weekend."
- "Thank you to my Intandem CU family. Thank you for your generosity, we are enjoying the gifts very much. Thank you and see you soon!"
- "Amy did an amazing job working with my individual needs as a home buyer. She was able to get me a great mortgage rate that fit my budget and needs. She was quick to answer all of my questions, and she did a great job of making me feel at ease during the home buying journey. I am forever grateful to her for helping me find a perfect home."
- "Great people to deal with, sure glad I switched to them"
- "My husband and I stopped in today for some help with setting up online account for payments. Did not catch the teller's name, little gal with red hair, she was so so helpful very patient with us and we have it all set up. Just wanted to give her kudos, you have a great staff."
- "Thank you so so much for your help Rebecca!! You and Amy have made this process very smooth as a first time home buyer. I am very impressed with both of your communication. You have a been great!"
- "I absolutely love online banking. Absolutely LOVE. I love the feature that my husband can make deposits into my account even though we are not "on" each others' accounts. I'm grateful for all of your services!"
- "Been a customer for over a decade. They were so helpful with transition when my husband passed away. They contacted me when a lower rate was available for my home loan. I'm very satisfied with my experience."

