

## MINUTES OF THE 66<sup>th</sup> ANNUAL MEETING TUESDAY, MARCH 18, 2025

The 66<sup>th</sup> Annual Meeting of the Meijer Credit Union Membership was held on Tuesday March 18, 2025, onsite and via Teleconference:

Tom Riddle, Chairman, called the meeting to order at 5:14pm with the following members present per voice roll call:

### **On-Site at Gaynor**

Matt Yanoschik  
Jordan Kowalkowski  
Cathy Ellis  
Jason Budnick  
Maria Hernandez  
Mandy McMullan  
Grant Davis  
Joel Marshall  
Justin Bombul  
Tyler Nowak

### **Via Teleconference**

Tom Riddle  
Sandy Siedlecki  
Angela Patterson  
Jenn Abramowski  
Bryan Richards  
Betty Honicutt  
Sheila Marshall  
David Kostelnik  
Jackie Adams  
Grant Davis  
Philip Keibler  
Nicole Kidd  
Amanda Bocker  
Kiersten Bylsma  
Marc Bakker

Total number of members in attendance: 25

Sheila Marshall, Board Secretary acknowledged that a quorum was present constituting an official meeting of the membership. According to our bylaws, a quorum exists with not less than 7 members present.

Tom welcomed Meijer Credit Union's new Board Member Nicole Kidd.

### **MINUTES OF THE PREVIOUS MEETING**

The minutes of the 65th Annual Meeting were previously approved in April 2024.

### **REPORTS**

#### **A. Elections Committee**

See attached report.

#### **B. Chairperson**

See attached report!

**C. Treasurer**

See attached report!

**D. Member Service & Business Development**

See attached report!

**E. Lending**

See attached report!

**F. Supervisory Committee**

See attached report!

**G. President**

See attached report!

**OLD BUSINESS**

There was no old business presented.

**NEW BUSINESS**

There was no new business presented.

**ADJOURNMENT**

A motion to adjourn the meeting at 5:26pm was made by Bryan Richards and seconded by Phil Keibler. The motion was carried.

Respectfully Submitted,

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Tom Riddle, Chairman

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Sheila Marshall, Secretary



**MEIJER CREDIT UNION  
66<sup>th</sup> Annual Meeting  
March 18, 2025  
ELECTIONS COMMITTEE REPORT**

The Elections Committee members include Tom Riddle and Phil Kiebler.

Three Board of Director positions are up for election and the committee nominated Bryan Richards, Jackie Adams and Jenn Abramowski for re-election.

Matt Yanoschik, President & CEO, has confirmed that no other nominations were received from the membership. As a result, the Credit Union bylaws state that the Secretary is to cast a unanimous vote for those nominated.

The term for each director will be 3 years.

The Credit Union would like to thank these individuals for volunteering their time to serve on the Board of Directors.

Sheila Marshall  
Secretary



**MEIJER CREDIT UNION**  
**66<sup>th</sup> Annual Meeting**  
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**Chairman's Report**

I am thrilled to announce that the Meijer Credit Union has been serving its members for over 66 years! In 2024 the Meijer Credit Union returned to the Meijer corporate offices by opening a branch at #989 Office! We collaborated with our sponsor, and they generously arranged for a "Pod" for our use. The response from the Meijer Team members has been wonderful!

2024 was a record year of growth in terms of our loan portfolio, deposits and asset size. Our net income hit a record at \$803,000, our loan portfolio crossed \$76 million, and our asset size exceeded \$104 million at the end of 2024.

Serving our members with great rates on both deposits and loans is an important part of our strategy. Our Asset Liability Management and Liquidity is in an excellent position to enable profitable growth in both deposits and loans while offering very competitive rates to all members.

Our Business Continuity Management continues to develop and strengthen to provide resilience so it can respond quickly to both physical and cyber threats.

I want to thank the entire Meijer Credit Union team for their care and service they provide to all 15,000 Meijer team members. We appreciate all their efforts and look forward to a very successful 2025!

Tom Riddle  
Chairman



**MEIJER CREDIT UNION**  
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**Treasurer's Report**

The credit union continues to perform well on both sides of the balance sheet. The year 2024 saw total assets go over \$100 million for the first time in credit union history. Assets finished the year at \$104 million and have continued to increase into the first part of 2025. Total deposits finished at \$94 million in December, as members continue to see the value of credit union products and services.

Lending has enjoyed several years of aggressive growth, and the team kept up their rapid pace in 2024. Total loans increased 19.8% all the way up to \$76.1 million and just over 80% Loans to Shares. Since the end of the pandemic, the lending team has maintained consistent loan growth well over 10% each year. The effective rate on the total portfolio climbed up to 7.18% by December, which was an increase of 64 basis points from December 2023. Total interest income was up \$1.5 million in 2024. The high return on member loans is continuing to allow the credit union to reinvest back into the membership in the form of higher earning deposits.

The credit union's cost of funds, which is the money paid back to members in deposits, increased almost 2.5 times its total from 2023. The final expense to the credit union was \$1.5 million, a jump of nearly \$900,000. Members continue to respond well to the credit union's aggressive certificate of deposit offerings and the strong return available on the High Yield Savings account. The interplay of the above totals lead to the credit union beating its Net Interest Income projections by \$160,000.

Bottom line Net Income for the year finished at \$803,000, surpassing expectations by \$233,000. The credit union's ROA was 0.81%, ahead of its planned 0.59% and in line with the prior year's performance. Net Worth maintained itself, rounding out the year at 9.58%, down slightly from 2023 but still in a strong position. Provision expenses were under plan by \$55,000, and the credit union's charge off ratio was 0.42% and beat its 0.46% goal. Credit union delinquencies were stable most of the year and finished at 0.55% which was an improvement from 0.76% in 2023. Operating expenses were slightly above plan by 2.21%, as management battled inflationary trends and the increasing price of consumer fraud.

The credit union is planning for more growth in 2025 in both loans and deposits. Members continue to respond to the credit union's promotional message, even in uncertain economic times that will be difficult to forecast. Management is strategizing how to best position the credit union in the volatile interest rate markets that have set in so as best to provide the Meijer Credit Union membership with its highest possible return on capital, but overall, we expect another strong year of aggressive growth.

Jenn Abramowski  
Treasurer



**MEIJER CREDIT UNION  
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Senior VP of Member Service & Operations Report**

**Member Services and Marketing**

2024 was a momentous year for the Credit Union and we had lots of fantastic things happening in Member Service and Marketing.

We continue to focus on how to serve the Meijer team member and our members by making our interactions as easy as possible. We introduced CU Forms which allowed member service to put most forms we use in electronic format and send the form in online banking or email for the member to sign electronically. Members love this!

Security is also a top priority, and we rolled out Member Pass – a text authentication process from our core for when members call into our contact center. The system sends a code to the phone on file and the member repeats the code back to us.

Marketing messages via Constant Contact continue to be the #1 way we communicate and generate new business. During the year, we sent around 155 email communications and our open rate average of 42% is well above industry averages and higher than 2023. Our other forms of communication continue to include our social media channels, Meijer 365 communication, and TV Screens at Meijer.

In addition to our anniversary specials, we ran several successful promotions including our Spring Loan Campaign, Winter Auto Loans, and MTM loans. Our annual Cyber Monday special was extremely popular again and generated many new memberships, loans, and CDs.

Our relationship with Meijer continues to grow every day. A few highlights from the year: We were invited to participate in the team member tent at the LPGA which proved to be a fantastic way for us to interact with team members. Our golf ball koozies were a hit and a much talked about item. During the year we were invited to speak at many team meetings including some TMRG meetings such as Women at Meijer, Mosaic and YoPro. And in December we opened our Pod branch at the corporate offices in 989. We held a Grand Opening event and are seeing continued growth in membership from 989 and 985.

We also spent much of 2024 gearing up for our new website redesign and of course the mass reissue of debit cards and ATM cards that all rolled out early 2025.

Sandy Siedlecki  
Senior Vice President of Member Service & Operations



**Meijer Credit Union  
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Lending Department Report**

**Consumer Lending**

In 2024 the lending department continued their mission of serving our member base by providing fair & sound underwriting decisions as well as education & counseling as needed. 2024 also brought new faces and departmental promotions within the lending team. The internal focus to maximize efficiencies, streamline workflow, and expand education supported the credit unions lending philosophy and growth. Loan reviews completed in 2024 revealed our lender's ability to underwrite with sound decision making resulting in quality loans. With rising rates, inflation, and overall financial volatility, we believe our due diligence practices will continue to help maintain lower delinquencies while supporting growth. Our lenders continue to serve our members by providing sound guidance, supporting their financial needs and peace of mind.

The Meijer Team Member Loan has continued to drive membership growth. The 2024-dollar volume was slightly higher than 2023. Meijer Team Members received 2,967 loans written for \$2,559,000.

We opened 3,911 consumer loans in 2024 for \$13,279,167, which was a slight decrease over 2023. An area of high growth was our auto loan program with 345 loans granted for \$7,669,783.

Our total loan portfolio increased this year by 19.79% which brought us from \$63,554,610 to \$76,137,717 in total portfolio loans. The yield on the portfolio increased from 6.59% to over 7.17%. The increase is due to overall interest rate increases in the market. Our rate match policy for qualifying members, strategic competitive marketing, and discounts for long-term Meijer Team Members, allowed us to remain competitive. Increasing our portfolio is critical to the long-term success of the credit union and we are focused on this goal in 2025.

**Mortgage Lending**

In 2024 the Mortgage Lending team produced \$17,984,017 in production, which was a 298% increase. The restructuring of classifying our home equity loans and Preferred Manufactured Homes under Mortgage Lending, instead of Consumer Lending, contributed to the large increase.

The continued rising rate environment has impacted the affordability of home purchases and halted refinancing options. This combined with lack of affordable inventory and inflation continues to impact consumer confidence. To support the stability of the mortgage portfolio, mortgages originated were primarily written under the Meijer Credit Union products and not sold to the secondary market.

Our waiver was renewed with Mortgage Guaranty Insurance Corporation (MGIC). The renewal allows us to offer specialty products for low income and lower credit score members. This waiver allows modest means families to become homeowners when they wouldn't have qualified otherwise and helps lower risk exposure to the Meijer Credit Union.

The combination of our specialty portfolio products, partnership with MGIC, NewRez, and Freddie Mac, allows us to support homeownership programs for our entire membership.

*Angie Patterson  
VP Lending*



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**SUPERVISORY COMMITTEE REPORT**

The Supervisory Committee is a voluntary committee made up of four credit union members including: David Kostelnik- Chairperson, Kellen Wright, Kiersten Bylsma and Marc Bakker.

The purpose of the Supervisory Committee is to ensure that:

- Management's financial reporting objectives have been met
- The Board of Directors works in the best interests of the members
- Policies and procedures are maintained and followed
- The assets of the Credit Union are properly safeguarded

In meeting these objectives, the Supervisory Committee participates in training sessions, meets independently each month and participates in the yearly planning session. At least one member of the Supervisory Committee attends the monthly Board of Director's meeting. The Supervisory Committee also performs several independent reviews throughout the year including compliance with Interest Rate Risk review. All results are reported to Management and the Board of Directors.

The Supervisory Committee meets with and contracts an external audit firm to perform a comprehensive annual audit and a bi-yearly membership verification audit. The Supervisory Committee also attends the exit meeting with The State of Michigan's Department of Insurance and Financial Services (DIFS) upon the completion of their examination and monitors the implementation of recommendations.

The Supervisory Committee also reviews audits performed by external auditors and monitors the implementation of recommendations.

The results of the audits and examinations completed for year ending December 31<sup>st</sup>, 2024 by the Financial Standards Group indicate that the financials of the Meijer Credit Union are properly stated and the internal control environment is adequate.

Respectfully Submitted,

David Kostelnik  
Supervisory Committee Chairperson





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President's Report**

I am very proud of the Meijer Credit Union Team and our accomplishments in 2024. As a team we actively sought solutions to the issues presented to us last year and had great success. Our financial performance far exceeded the plan, our portfolio is at record high, and our assets are above \$100 Million.

Our relationship with our sponsor continues to grow & deepen and provides a great opportunity for the credit union to serve more Meijer Team members. The opening of our branch inside of the #989 corporate office has been a great success in terms of loans, deposits, membership and providing great opportunities for networking. Our goal is to be seen as "just another" department at Meijer, so we can provide all the services and benefits the Meijer Team.

Our presence at the Meijer LPGA event for Simply Give was a great success. We donated \$6,600 and made many connections at the LPGA. Our Brand was greatly enhanced by this event.

We started the project to move to Member Access Processing as our debit and credit card processor through VisaDPS. This also involved a brand flip to Visa from Mastercard. We successfully completed this earlier this year and our members are pleased with their new debit cards.

Our information technology and cybersecurity efforts are also focused on protecting our members and our assets. We test our team monthly and hold exercises throughout the year. Our efforts to educate and train do not stop as the bad actors continue to change their game.

I would like to thank the Board and the Supervisory Committee for the support and guidance provided to us this past year. The Meijer Credit Union has a very special relationship with our sponsor and the quality of our Board of Directors is evident to regulators and others in the credit union industry.

Matt  
President & CEO