

# 2023 Annual Report



# Letter to our Members

Reflecting on 2023, it was indeed a monumental year marked by significant progress in enhancing the technological infrastructure crucial for delivering exceptional service to our valued members. These achievements

were made possible by the dedication of our incredible team, whose commitment to our mission and values drove our successes throughout the year.

## EMBRACE THE FUTURE

A technology upgrade enables us to offer more personalized and innovative financial solutions.

## MASTERCARD TO VISA

A successful mass debit card reissue helps ensure the security and reliability of over 27,000 debit cards.

## GROWTH IN TURBULENT TIMES

Despite economic challenges, Kohler Credit Union experienced growth in membership and maintained industry-low delinquency rates.

## PREPARING FOR A REBRANDING

In late 2024, we will be launching a rebrand aimed at modernizing our image and enhancing our competitive differentiation.



Furthermore, we remain steadfast in our commitment to initiatives that strengthen our community and promote financial wellness. Our employees' dedication to volunteering thousands of hours annually underscores our deep commitment to serving our community and meeting the needs of our neighbors.

As we look forward to the future, we are excited about the opportunities ahead for your credit union. Rest assured, we will continue to prioritize your individual financial needs and uphold the principles that have defined our organization for over 85 years.

Thank you for your unwavering loyalty to Kohler Credit Union. Your trust and support drive us to continuously strive for excellence in serving you.



Anthony J. Klockow



Christopher M. Lacey





## Our Mission and Values

Building relationships, strengthening communities, fulfilling dreams.

### Community

We support activities that benefit and enrich the communities we serve.

### Members

We embrace the credit union cooperative spirit by delivering a broad range of superior and affordable financial services that meet the needs of our diverse membership.

### Employees

We encourage individual initiative, promote professional growth, and provide opportunities to make a real difference.

### Integrity

We practice open and honest communication and treat people with dignity and respect.

# Yearly Comparisons

Membership	2023	43,616
	2022	43,226

Checking Accounts	2023	30,349
	2022	28,858

Residential Real Estate Loans Outstanding	2023	\$239,060,253
	2022	\$215,240,637

Total Loans Outstanding	2023	\$482,506,551
	2022	\$459,783,292

# 2023 Financials

## Statements of Financial Condition

December 31, 2023 and 2022

	2023	2022
<b>ASSETS</b>		
Cash and Cash Equivalents	\$25,155,268	\$7,666,720
Securities - Available-for-Sale	47,642,211	52,606,968
Other Investments	3,544,746	2,908,186
Loans Held-for-Sale	616,003	236,754
Loans, Net	482,092,158	460,228,051
Accrued Interest Receivable	1,496,142	1,042,199
Premises and Equipment, Net	29,397,490	28,015,398
Right of Use Asset	1,851,908	1,950,073
NCUSIF (National Credit Union Share Insurance Fund) Deposit	5,195,795	5,297,962
Defined Benefit Pension Plan Assets	9,551,115	7,886,792
Corporate Life Insurance	7,019,262	6,897,623
Other Assets	3,571,402	1,539,980
Total Assets	<u>\$617,133,500</u>	<u>\$576,276,706</u>
<b>LIABILITIES AND MEMBERS' EQUITY</b>		
<b>LIABILITIES</b>		
Members' Share and Savings Accounts	\$532,884,710	\$529,395,319
Borrowed Funds	29,000,000	-
Accrued Expenses and Other Liabilities	10,044,359	5,947,113
Total Liabilities	571,929,069	535,342,432
<b>MEMBERS' EQUITY</b>		
Undivided Earnings	49,912,497	47,912,155
Accumulated Other Comprehensive Loss	(4,877,378)	(7,147,193)
Acquired Equity	169,312	169,312
Total Members' Equity	<u>45,204,431</u>	<u>40,934,274</u>
Total Liabilities and Members' Equity	<u>\$617,133,500</u>	<u>\$576,276,706</u>

We hereby state that the information provided here, to the best of our knowledge and belief, is true and fairly presents the financial position and results of operations for the period covered. - Chris Lacey, Chairman / Dan Gruenloh, Treasurer / Anthony J. Klockow, President

# 2023 Financials

## Statements of Income

December 31, 2023 and 2022

	2023	2022
<b>INTEREST INCOME</b>		
Loans	\$18,873,364	\$14,141,200
Securities, Interest-Bearing Deposits, and Cash Equivalents	1,203,366	1,047,945
Total Interest Income	<u>20,076,730</u>	<u>15,189,145</u>
<b>INTEREST EXPENSE</b>		
Members' Share and Savings Accounts	2,715,832	641,353
Borrowed Funds	992,655	9,236
Total Interest Expense	<u>3,708,487</u>	<u>650,589</u>
Net Interest Income	16,368,243	14,538,556
<b>(CREDIT) PROVISION FOR LOAN LOSSES</b>	<u>(88,206)</u>	<u>81,598</u>
Net Interest Income After (Credit) Provision for Loan Losses	16,456,449	14,456,958
<b>NONINTEREST INCOME</b>		
Service Charges and Fees	2,287,639	2,546,971
Other Noninterest Income	4,741,101	5,001,654
Total Noninterest Income	<u>7,028,740</u>	<u>7,548,625</u>
<b>NONINTEREST EXPENSE</b>		
General and Administrative:		
Employee Compensation and Benefits	10,839,055	9,856,049
Office Occupancy and Operations	6,953,642	7,237,264
Other Operating Expenses	2,610,762	2,046,990
Net Loss on Sale of Assets	75,369	22,616
Total Noninterest Expense	<u>20,478,828</u>	<u>19,162,919</u>
<b>NET INCOME</b>	<u>\$3,006,361</u>	<u>\$2,842,664</u>

# Leadership and Governance

## Board of Directors

Our Board of Directors is comprised of nine highly qualified individuals esteemed for their dedication, financial insight, and sincere commitment to advancing Kohler Credit Union and, ultimately, the financial prosperity of our members. Each director fulfills a pivotal role in guiding the operational strategy and financial framework of the credit union. Additionally, they diligently analyze the scope and implications of economic and social trends that may impact our operations. We express our heartfelt appreciation for their outstanding leadership and steadfast belief in the credit union movement.

**Chris Lacey**  
Chair

**Todd Ullman**  
Vice Chair

**Dan Gruenloh**  
Treasurer

**Jessica Entringer Leikip**  
Secretary

**Brian Post**  
Director

**Laurie Lindow**  
Director

**Steven Gerner**  
Director

**Joe Virant**  
Director

**Kim DeSombre-Long**  
Director

## Executive Leadership



**Tony Klockow**  
President /  
Chief Executive Officer



**Amy Grinna**  
Executive Vice President



**Greg Daniels**  
Chief Financial Officer



**Matthew Fehrmann**  
Chief Information Officer



**Joseph Miller**  
Chief Lending Officer



**Melissa Doebert**  
Chief People Officer



**Deniss Makejenko**  
Chief Retail Officer



**Laura Gabrielse**  
Senior Vice President of  
Member Experiences



**Sue Vandermeuse**  
Senior Vice President of  
Audit and Assurance

# Corporate Information

## Corporate Center

5727 Superior Avenue, Sheboygan, WI 53083

## Branch Locations

### Kohler

850 Woodlake Road

### Grafton

2550 Washington Street

### Howards Grove

724 Madison Avenue

### Manitowoc (Located within Meijer)

1818 S. Rapids Road

### Mequon

11357 N. Port Washington Road

### Plymouth

2303 Eastern Avenue

### Saukville

840 E. Green Bay Avenue

### Sheboygan

831 S. Taylor Drive

### Sheboygan (Located within Meijer)

924 N. Taylor Drive

### West Bend (Located within Meijer)

2180 S. Main Street