

2022



Serving Kansas City Since 1948
mazuma[®]
Credit Union **75**
years

ANNUAL REPORT 2022





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SUPERVISORY COMMITTEE MESSAGE

75 Years and Counting!

Thank you for your continued Membership. Membership is the heart and foundation of Mazuma's collective longevity and continued success in serving our community. That collective includes the partnership between our Members, Board of Directors, Mazuma Team Members, and Supervisory Committee.

Just like you, the Supervisory Committee are Mazuma Members who care about our community and are committed to the needs of fellow Members. Committee Members are volunteers who work strategically with Mazuma's leadership and Board toward meeting financial reporting requirements and establishing practices that safeguard Member assets. This reporting year, we began exploring how the Supervisory Committee can further support Mazuma's strategic initiatives and subsequent growth.

We are honored to serve as your Supervisory Committee. Our work does not occur in a vacuum. We extend our sense of community by inviting you to serve as a volunteer and continue Mazuma's philosophy of treating our Members like family.

Catherine M. Cole, Ph.D.
Supervisory Committee Chair



BOARD CHAIR MESSAGE

Greetings, Mazuma Members!

Here we are with another great year for Mazuma in 2022!

Even though the effects of the pandemic and resulting economic factors are still among us, Mazuma Credit Union has remained strong. Mazuma Team Members are on top of the game with exciting new technologies already in place and some on the way. Your credit union has been able to roll out these new services and technologies, as well as innovative pathways for financial management, for you - our Members. Technology and the world are constantly in a state of change, especially now, and Mazuma is moving with those changes to provide our Members the absolute best experience possible!

Mazuma is here because of you and for you, our Members. For this opportunity, we thank you for your Membership and trust. I would also like to thank the Board Members, the Supervisory Committee, and all the volunteers for their efforts in guiding our credit union. Most of all, I would like to thank the CEO and Team Members for the hard work, dedication, and ingenuity that makes Mazuma a better place. It is a pleasure and a great honor to serve as your Chairman of the Board.

Russ Petry





PRESIDENT/CEO MESSAGE



Dear Valued Mazuma Members,

Thank you for being a part of our Credit Union Family. Credit union membership is meaningful in so many ways. In addition to receiving the benefits of being a member/owner of a not-for-profit financial cooperative, your membership allows the Credit Union to create valuable jobs for our Team and to give back in substantial ways to our great Kansas City communities.

Credit unions were formed to fulfill an important purpose and operate under a “people helping people” philosophy. Our world has experienced a myriad of challenges over these past few years, which further highlight the vital role that credit unions play in helping to meet the needs that arise. The work being done is just as important today as it was when we were founded in 1948.

It is my honor to report that your Credit Union continues to be safe, strong, secure, and well-positioned. We have grown to serve over 72,000 Members, employ over 250 Team Members, and are proud to partner with over 60 local Kansas City non-profit organizations. In addition to the value provided to our Members through great rates on both loans and deposits, we expanded benefits for our Team and invested over \$400,000 in give-back to Kansas City.

2022 was a successful year due to the work of our Team and loyalty of our Members, and 2023 is set to be even more special as we celebrate our 75th Anniversary! It is awe-inspiring to think that our Credit Union was founded 75 years ago in Kansas City by Wyla and Joe Pinkerton, who saw the need to create an option for local citizens to better their financial futures. The Credit Union has grown to exemplify that as we continue our efforts to create positive impact, strive to improve financial well-being, and fulfill our purpose of Making Kansas City a Better Place to Live, Work, and Bank.



We are looking forward to a vibrant and inspirational year ahead, filled with opportunities to connect with our Members and celebrate our growth and impact together. Thank you for being a dedicated Member of our Credit Union and a part of this wonderful story, as it is your Membership that allows the Credit Union movement to continue to make such a meaningful difference in the lives of so many.

Deonne Christensen

Deonne Christensen
President/CEO



MAZUMA EXPERIENCE – TEAM



KC BUSINESS JOURNAL'S 2022 BEST PLACES TO WORK SURVEY HIGHLIGHTS

- Mazuman feedback on 7 categories
- Holistic view of culture and organization
- Helpful, meaningful, and constructive feedback
- Great response rate
- Engagement was close to last year's rate
- Nearly 300 comments, overwhelmingly positive

Busy Caring Challenging Chaotic Collaborative
 Comfortable Creative Encouraging **Engaging Family**
 Flexible **Friendly Fun** Happy Helpful Inclusive
 Motivating **Positive** Professional Respectful Rewarding
 Stressful **Supportive** Teamwork Thoughtful

MAZUMANS OF THE MONTH

Jordan C - Branch Leader I | Victoria J - Human Resources Assistant
 Kevin S - IT Support Specialist | Jessica H - Talent Development Specialist
 Fanae H - Sr. Relationship Advisor, MRC | Kylee C - Loan Administrator II
 Wealth Management Team | Stephanie B - ACH Processor
 Greg W - Relationship Specialist | Renee T - MRC Director
 Winter K - Electronic Services Advisor | Tommi S - Assistant Branch Leader



Every day at Mazuma, whether it's in your favorite neighborhood branch or supporting behind the scenes, Mazumans are working hard and going above and beyond to help serve our community. Our Team is full of reliable, dedicated, and compassionate individuals, and it's important to us to recognize and celebrate the accomplishments and effort of these amazing Team Members! Every month, Mazuma recognizes one Team Member, nominated by their peers, for their hard work and commitment to our mission and our Members. These elite Team Members make up our Mazumans of the Month!

EXECUTIVE SPOTLIGHTS



Justin Mouzoukos, Mazuma's CFO, was selected to be a part of the KC Chamber's Centurions Leadership Program. Since 1976, this two-year leadership development program has prepared greater Kansas City's emerging leaders for many roles in our community and is an unequalled training ground for future Kansas City leaders.



Brad Rein, Mazuma's CIO, won the 2022

ORBIE Awards CIO of the Year, Corporate Category. The ORBIE signifies exceptional leadership, innovation, and vision, representing the characteristics and qualities that inspire others to achieve their potential.

HONORING A TEAM MEMBER WE LOST TOO SOON



CRECIA BATES 1983-2022

Crecia Bates was a wonderful, dependable Team Member known for her warmth and kindness. In the short time Crecia was with Mazuma, she had such a positive impact on many Team Members and Members. We are so grateful for the time Crecia was part of our Mazuma team and the spark of energy she contributed to our culture.

MAZUMA EXPERIENCE – MEMBERS

MEMBER ENGAGEMENT

We are so grateful to have Members who celebrate with us! In 2022, **2,000** Members and potential new Members attended **8** Member Appreciation Events.



MEMBER EXPERIENCE

We provide MXP surveys because we value your feedback and use it to guide our efforts and growth. Our 2022 MXP Total Experience



Score came in at **4.72** with our Individual Score coming in at **4.76!**



MEMBERSHIP GROWTH

Our Members are at the heart of everything we do, and we were excited to end the year able to serve **72,445 Members** across the Kansas City metropolitan area!



MEMBER PRODUCTS & SERVICES

NEW NORTH OAK BRANCH

In August 2022, we opened our 12th branch location! Our North Oak Branch, located at 9660 N. Oak Trafficway, Kansas City, MO, is a beautiful facility that gives us the ability to host special outdoor events in its courtyard. We held a Grand Opening Celebration in October 2022 and are thrilled to be serving you at our newest location! In addition to our branch teams serving your financial needs, we also have our Mortgage, Small Business Banking, and Wealth Management teams to meet whatever needs you may have.



NEW CALL CENTER PHONE SYSTEM

Mazuma launched our upgraded telephone banking platform in 2022. Our Call Center Team and Technology Teams spent hours mapping out the menu, programming the system, and testing to ensure delivery of a high-quality system for our Members. New Phone System Capabilities include more secure access to Member accounts, a queue Call Back feature which allows Members to keep their place in line without having to hold, and enhanced speech or prompts throughout the menu. These, along with other features and benefits, have allowed us to serve over 16,500 Members by phone each month while decreasing answer times by 2 minutes and wait times by 2.15 minutes compared to 2021.



NEW ATM NETWORK

Mazuma has nearly completed the installation of brand-new ATMs across its entire network, with only one remaining ATM to be replaced. We have upgraded to the latest technology and even added an additional ATM at our Midtown location to best serve you.



NEW DISPUTE PROCESS

Mazuma successfully installed a new dispute process solution that automated processes to save time when managing filed disputes. This new solution has been a win for our Members by improving Member experience and enabling us to resolve disputes in less than 48 hours and often within 24 hours.



MAZUMA EXPERIENCE – COMMUNITY

2022 was another amazing year as it pertained to the efforts and impact that we had with our Corporate Social Responsibility (CSR) Program and Give-Back strategies!



Since 2016, the Mazuma Foundation has awarded over half a million dollars in grants.

Year	# of Grants	Amount Given
2016	8	\$25,000
2017	9	\$45,000
2018	6	\$30,000
2019	10	\$90,000
2020	10	\$125,000
2021	22	\$140,000
2022	16	\$75,800

In 2022, Mazuma's monetary, volunteer time, and community space give back efforts totaled over **\$400,000**



During our 5th Annual Give Back Day in 2022, over 160 Mazuma Team Members participated, sharing almost 800 total hours of time and effort with 13 mission-driven organizations across the Kansas City metropolitan area!



NEARLY **5,000** VOLUNTEER HOURS IN 2022



We value our ongoing partnerships with these local organizations:



In total, Mazuma is proud to support over 60 local organizations that are helping to make Kansas City a better place! See the full list of our Community Partners on page 19.



FINANCIAL PERFORMANCE

In 2022, we continued to live out our purpose of Making Kansas City a Better Place to Live, Work, and Bank. Our operating results, balance sheet, and liquidity remain strong and positive, and we continue to be very well positioned to serve our Members as we move forward in 2023!

2022 highlights:

1. Loans to our Members grew by approximately \$57 million and totaled \$697 million.
2. Member Deposits grew to \$740 million.
3. Total income approximated \$54 million, offset by operating expenses of \$49 million.
4. Our capital grew to \$95 million, well within guidelines specified by our regulators.



72,445
MEMBERS

235
HOME
LOANS
FOR OUR MEMBERS

6,215
AUTO LOANS
FOR OUR MEMBERS

\$928,906,481
TOTAL ASSETS

\$697,036,600
TOTAL LOANS

The financial markets we operate in experienced a significant increase in interest rates during 2022 as the Federal Reserve moved to push rates up to address inflation. As a result, the composition of our lending changed during the year to better match our Members' needs. Mortgage lending declined as the housing market slowed, however lending made to Members for autos and other needs was up year over year.

In 2023, we are celebrating our 75th anniversary. During this time, we have experienced many up markets and been sustained through several economic downturns by relentlessly focusing our efforts on serving our Members, making our community stronger, and taking care of our Team. Our focus will not change. We look forward to many more years of service!



All my best,
John Lathrop,
Board Treasurer

Balance Sheet as of December 31st, 2022 (highlighted areas)

Assets	2018	2019	2020	2021	2022
Loans to Members	\$484,851,974	\$526,768,962	\$578,239,582	\$640,072,177	\$697,036,600
Investments	\$104,113,177	\$94,585,390	\$172,645,657	\$179,816,747	\$143,814,653
Fixed Assets	\$27,813,066	\$26,890,779	\$26,781,761	\$27,079,245	\$28,037,948
Other Assets	\$44,350,869	\$46,392,996	\$54,138,496	\$48,780,986	\$60,017,280
Total Assets	\$661,129,086	\$694,638,127	\$831,805,496	\$895,749,155	\$928,906,481

Liabilities and Equity	2018	2019	2020	2021	2022
Liabilities	\$68,782,063	\$66,717,194	\$81,764,331	\$66,081,852	\$93,375,903
Deposits	\$528,222,471	\$556,146,301	\$667,436,673	\$733,635,970	\$740,000,190
Equity	\$64,124,552	\$71,774,632	\$82,604,492	\$96,031,333	\$95,530,388
Total Liabilities and Equity	\$661,129,086	\$694,638,127	\$831,805,496	\$895,749,155	\$928,906,481
Members	62,209	64,650	70,168	71,658	72,445

Income	2018	2019	2020	2021	2022
Loan Income	\$25,793,050	\$28,054,799	\$28,562,645	\$31,622,357	\$34,669,243
Investment Income	\$1,847,204	\$2,734,276	\$1,361,134	\$1,302,634	\$2,822,725
Other Income	\$18,861,856	\$18,292,214	\$16,380,107	\$14,530,744	\$15,680,561
Non-Operating Income	\$-	\$-	\$5,310,537	\$4,446,091	\$1,534,535
Total Income	\$46,502,110	\$49,081,289	\$51,614,423	\$51,901,826	\$54,707,064

Expenses	2018	2019	2020	2021	2022
Operating Cost	\$33,286,297	\$34,956,011	\$35,927,308	\$34,175,170	\$45,149,010
Dividends and Interest	\$5,040,774	\$6,701,563	\$5,455,020	\$3,861,753	\$4,110,029
Total Operating Cost	\$38,327,071	\$41,657,574	\$41,382,328	\$38,036,923	\$49,259,039
Net Income	\$8,175,039	\$7,423,715	\$10,232,095	\$13,864,903	\$5,448,025



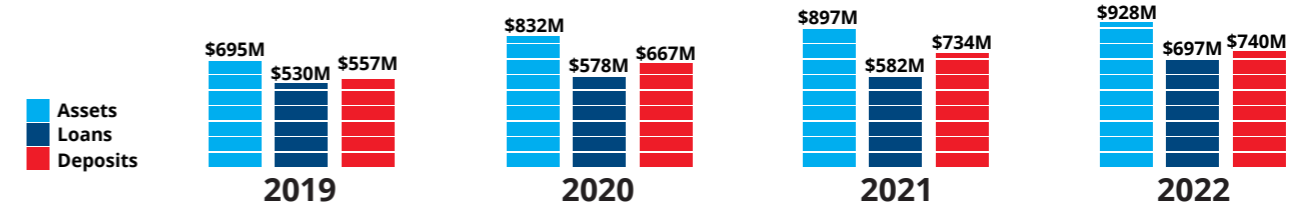
Assets
3.7% ↑



Loans
8.9% ↑



Deposits
0.9% ↑



OPERATIONAL EXCELLENCE

CYBER & INFORMATION SECURITY

We strive to remain at the forefront of cybersecurity best practices, employ the latest technologies and industry standards, and promote a culture of security awareness and education throughout our organization to keep Member data safe.



REGULATORY EXAMS

Each year, Mazuma goes through an independent examination by the Missouri Division of Credit Unions. This examination assesses the Credit Union's effectiveness in managing its risks. Our 2022 regulatory examination results were positive, as your Credit Union's volunteers, leaders, and Team Members continue to focus our efforts to ensure the safety and soundness of the Credit Union's operations while providing exceptional service to our Members.



WHAT'S TO COME



A PAST, PRESENT, AND FUTURE OF PURPOSE

When Wyla and Joe Pinkerton started KCNFFE in 1948, they weren't doing it to make a buck. They were doing it to make a difference. They had a purpose - to create a credit union of people helping people. Fast forward to today and the purpose of Mazuma still holds true. Now, we're celebrating 75 years of that purpose, and the most exciting part is how we've grown and are positioned to deliver even more greatly on it. This year gives us an opportunity to reflect on our legacy and honor the past through our continued dedication to the principles and purpose our Credit Union was created to serve. They are the foundation of our present and the key to building our future together. We hope you'll join us as we celebrate! Our Members, Team Members, and community are the driving force behind our 75 years of growth, and we're excited to include everyone in a variety of fun events throughout the year.

Throughout our 75th Anniversary year, we'll be celebrating with special social contests and exciting giveaways, so be sure to follow our social media pages (and like, comment, and/or share our posts) to stay up to date.



Coming Soon: 75th Anniversary Member Appreciation Events!



Serving Kansas City Since 1948
mazuma **75**[®]
Credit Union **years**

CREDIT UNION IMPACT



Credit unions are investing more in the local communities they serve and growing the local economy by expanding small business loans and empowering job growth. Credit unions are helping more Americans achieve the American Dream.

Credit unions provided **\$13,506,258,431** in direct financial benefits to the nation's **132,311,205 members** during the twelve months ending September 2022.

These benefits are equivalent to \$102 per member or \$214 per member household.

THE CREDIT UNION DIFFERENCE

Like all credit unions, we are...

NOT-FOR-PROFIT



OWNED BY MEMBERS



DEMOCRATICALLY ELECTED



These differences allow us to offer our Members **lower loan rates, higher dividends, and fewer fees.**

In 2022, Kansas and Missouri credit unions contributed almost \$9 Billion in taxes, including property taxes, sales taxes, and unrelated business income tax. Credit unions are not subject to privilege tax because they return profits to members, who pay personal income tax on those funds.

KANSAS CREDIT UNION IMPACT

Kansas credit unions provided \$99,837,536 in direct financial benefits to the state's 764,258 members during the 12 months ending September 2022.

These benefits are equivalent to \$131 per member or \$274 per member household.

\$132M

IN PROFITS RETURNED TO KANSANS LAST YEAR

35,361

FAMILIES RECEIVING FINANCIAL COUNSELING & EDUCATION

113,598

LOANS GIVING WORKING KANSANS AN ALTERNATIVE TO HIGH-INTEREST PREDATORY LOANS

1.1M

CREDIT UNION MEMBERS IN KANSAS

73

CREDIT UNIONS IN KANSAS

\$891M

TOTAL ECONOMIC IMPACT

MISSOURI CREDIT UNION IMPACT

Missouri credit unions provided \$157,055,296 in direct financial benefits to the state's 1,738,929 members during the 12 months ending September 2022.

These benefits are equivalent to \$90 per member or \$190 per member household.

\$843M

IN SMALL BUSINESS LOANS

16,295

LOCAL JOBS SAVED THROUGH PPP LOANS

\$142.4M

RETURNED TO MISSOURIANS BY THEIR CREDIT UNIONS LAST YEAR

1.4M

CREDIT UNION MEMBERS IN MISSOURI

101

CREDIT UNIONS IN MISSOURI

\$2.1B

CONTRIBUTION TO MISSOURI'S ECONOMY

MAZUMA LEADERSHIP

We thank our Executive Leadership Team for their inspirational leadership and dedication to our Members, Team Members, and Community:



Dan Engelhard

Chief Lending Officer



Serri Helm

Chief Member Officer



Justin Mouzoukos

Chief Financial Officer



Brad Rein

Chief Information Officer



Michelle Wood

Chief Culture Officer & Diversity and Inclusion Officer

Thank you to the Mazuma Members who volunteer to serve on our Supervisory Committee:

- Catherine Cole
- Beth Franklin
- Harry Heflin
- Lynn Matthews
- Rollie Scott

We are proud to recognize the impactful leadership of our volunteer Board of Directors:

- Russ Petry – Chair
- Ike Nwabunwu – Vice Chair
- Carla Johnson – Secretary
- John Lathrop – Treasurer
- Clifton Carney
- Matthew Cates
- Sharon Cleaver
- Tina Frymyer
- Jeff Westmeyer
- Matt Wolfe – Associate Board Member
- Bob Durbin – Emeritus




COMMUNITY PARTNERS

Mazuma is proud to collaborate with over 60 Community Partners in the Kansas City area:





CONTACT US

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Overland Park, KS 66223

Insured by NCUA

mazuma[®]
Credit Union