

**mazuma**<sup>®</sup>  
Credit Union

**ANNUAL  
REPORT  
2023**





## BOARD CHAIR MESSAGE

Greetings, Mazuma Members!

2023 was very much a year of growth, new challenges, and great new opportunities.

Mazuma's team has done an amazing job of getting major projects completed by year end, rolling out great new options for Members, and identifying key steps for keeping our Credit Union strong. I am always in awe of the wonderful teams we have working for Mazuma as well as the Members who volunteer regularly. I would like to thank our Mazuma teams, our CEO, and the Board and Committee volunteers for all their great work this past year.

Mazuma is here because of you and for you, our Members. For this opportunity, we thank you for your membership and trust. It is a pleasure and a great honor to serve as your Chairman of the Board.



Russ Petry, Board Chair

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## SUPERVISORY COMMITTEE MESSAGE

We are here to serve you!

This year, the Supervisory Committee welcomed the opportunity to grow strategically in support of our fellow Members, Board of Directors, and Mazuma Team Members. The Supervisory Committee applied a strategic lens during audit reviews, risk assessments, and action plans. This ensures the Credit Union is meeting your current needs and positioning the committee toward supporting future needs.

The Supervisory Committee is humbled to serve you and looks forward to Mazuma's continued growth.

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





# PRESIDENT/CEO MESSAGE



Dear Valued Mazuma Members,

2023 was an incredibly special year as we celebrated our 75th Anniversary together. 75 years is a long time when you think of the extraordinary amount of change, progress, innovation, and all the economic cycles, wars, generations, and historic events that the last 75 years have held! And as time and the rapid pace of change seem to keep speeding up, it makes milestone moments like these that much more special and incumbent upon us to pause, reflect, honor, and celebrate!

Organizations that have been able to make it to an anniversary like this often share that it is due to their commitment to their mission, people, and their connectedness to the greater community - and the Credit Union is no different. We are here because we have remained grounded in our service to people and in our commitment to our community. And our purpose of **Making Kansas City a Better Place to Live, Work, and Bank** is allowing our work to have an even bigger & deeper impact as we go!

It is my honor to report that your Credit Union continues to be safe, strong, secure, and well-positioned. In addition to the value provided to our Members through great rates on both loans and deposits and convenient access to financial products and services, we expanded benefits for our Team and invested over \$360,000 back into Kansas City last year. The positive impact that your Credit Union made in 2023 is awe-inspiring, with multiple areas of record-breaking achievements, significant accomplishments recognized with local and national awards, and ways in which we



helped to improve the financial wellbeing of our Members. None of this would have been possible without the hard work, effort, and care of our dedicated Team 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. The work being done is just as important today as it was when we were founded in 1948, and it is your membership that allows the Credit Union to continue to make such a positive difference in the lives of so many.

**Cheers to our Members, our Community Partners, and our Team who make it all possible. I'm looking forward to this next year as our collective good continues to grow!**

Yours,

*Deonne Christensen*

Deonne Christensen  
President & CEO



# 75<sup>TH</sup> ANNIVERSARY CELEBRATIONS

Our founders, Wyla and Joe Pinkerton, started the Kansas City National Federation of Federal Employees Credit Union in November of 1948 with an initial deposit of just \$5.00. From these humble beginnings, with a commitment to the credit union philosophy of "people helping people," we have grown to serve almost 75,000 Members and Small Businesses. In addition, as we live out our purpose of **Making Kansas City a Better Place to Live, Work, and Bank**, we continue to partner with over 75 local non-profit organizations and associations to give back to our community and support the credit union cooperative movement.

We are strong today because of what Wyla and Joe started and so many others have helped to build. We're proud of our longevity, our service, and our impact.

Cheers to 75 years of service to Kansas City! We thank you and we celebrate you for being a vital part of our legacy and our future.

**7** 75th Anniversary Member Appreciation Events attended by over **2,000** Members and prospective Members!



## 75<sup>th</sup> ANNIVERSARY SOIREE

Our 75th Anniversary Soiree at Union Station brought together Team Members, Community Partners, and Members to celebrate 75 years of service to Kansas City!

### CELEBRATING OUR HISTORY

<p><b>1948</b> — Joe and Wyla Pinkerton found the Kansas City National Federation of Federal Employees Credit Union.</p> <p><b>1951</b> — Mazuma's first car loan is offered.</p> <p><b>1966</b> — John Cebula is hired as President. The Credit Union changes its name to Federal Employees Credit Union of Kansas City. We grow to <b>9,700 Members</b>.</p> <p><b>1969</b> — Our name changes again to Federal Employees Credit Union (FECU).</p> <p><b>1971</b> — We grow to more than \$10 million in assets.</p> <p><b>1979</b> — Our first computer is installed.</p> <p><b>1983</b> — Our new headquarters opens on Troost Avenue.</p> <p><b>1988</b> — Nancy Pierce is hired as President/CEO.</p> <p><b>1996</b> — Membership reaches <b>35,000 Members</b> and assets grow to more than \$93 million.</p> <p><b>1998</b> — During our 50<sup>th</sup> Anniversary year, our name is changed from FECU to <b>Mazuma</b>.</p> <p><b>1999</b> — www.mazuma.org is launched on the world wide web. :)</p> <p><b>2001</b> — Rob Givens is hired as President/CEO. Membership is expanded to all Jackson County, MO residents. We grow to <b>50,000 Members</b> and \$200M in assets.</p> <p><b>2005</b> — Mazuma CARES and WORKS are launched to further our commitment to the community.</p>	<p><b>2007 '08</b> — Membership expands to include residents of Clay County, MO.</p> <p><b>2011</b> — Brandon Michaels is hired as President/CEO.</p> <p><b>2013</b> — We launch our Corporate Social Responsibility Program, which includes 40 Hours for Good.*</p> <p><b>2014</b> — Our new logo featuring the red and blue <b>smile</b> is revealed.</p> <p><b>2015</b> — Our new headquarters opens at 7260 W 135<sup>th</sup> St.</p> <p><b>2015</b> — We become an Official Partner of Sporting KC.</p> <p><b>2015</b> — The Mazuma Foundation is launched to give back to the communities our Members call home.</p> <p><b>2018</b> — Deonne Christensen is hired as President/CEO.</p> <p><b>2019</b> — We grow to more than <b>70,000 Members</b>. Ongoing initiatives to update branches and delivery channels to improve Members' banking experiences are underway.</p> <p><b>2020</b> — The Mazuma BBQ Trailer gets smokin'.</p> <p><b>2020</b> — A donation of \$100k is made to the Kansas City COVID Relief Fund and over \$125k is donated to KC non-profits.</p> <p><b>2020</b> — We help over 200 businesses secure more than \$2.3 million in Paycheck Protection Program (PPP) loans.</p> <p><b>2023</b> — We celebrate 75 years of serving Kansas City!</p>
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# MAZUMA EXPERIENCE – TEAM

**Our Team is the head, the heart, and the soul of the Credit Union.**

As an organization, we are who we are because of the unique personalities, talents, character, and care of our Team Members, who are intrinsically motivated by the opportunity to have a real and long-lasting impact on each other, our Members, and our community. Mazuma is here for reasons that are bigger than each of us on our own, and the collective power of our Team is what allows us to make such a substantial impact.



**250**  
MAZUMANS

**32**  
MILESTONE  
ANNIVERSARIES

**4,869**  
TRAINING &  
DEVELOPMENT HOURS

**KC BUSINESS JOURNAL'S 2023  
BEST PLACES TO WORK  
SURVEY**

Mazuma scored higher than our peers in:

“ Senior leadership is prepared to effectively manage a diverse workforce. I am inspired by the work we do. My work motivates me. I understand the organization’s plans for future success. My immediate manager cares about my development. My immediate manager regularly coaches me on my job performance. I clearly understand how my performance is measured. I trust our senior leaders to lead the organization to future success. ”



# AWARDS & RECOGNITION



**Gold Award for Best Credit Union** in the KC Star's Kansas City Favorites contest

**Bronze Award for Best Credit Union in the Northland**

Mazuma's Preferred Partner program received the **Louise Herring Philosophy-in-Action Service Award** at the Credit Union National Association's Community Service Awards. This award recognizes programs that apply credit union philosophy to benefit our Members.



Our **Marketing Team** won the Credit Union National Association Marketing & Business Development Council's **Diamond Award** for Brand Awareness.

# MAZUMANS OF THE MONTH

Every month, Mazuma recognizes one Team Member, nominated by their peers, for their hard work and commitment to our Core Values and our Members. These incredible Team Members are our 2023 Mazumans of the Month!

- Joel S. – Sr. Maintenance Specialist | Chaz B. – Assistant Branch Leader
- Debra A. – Sr. Relationship Advisor | Lucas R. – Endpoint Computing Administrator
- Deborah P. – Member Services Support Leader | Lena J. – Accountant
- Karlene R. – Sr. Relationship Advisor | Tanya K-T. – Mortgage Loan Originator
- Julissa C. – Digital Services Analyst | Daniel M. – Operations Support Specialist
- Shavon G. – E-Services Advisor | Lisa P. – Sr. Relationship Specialist





# MAZUMA EXPERIENCE – MEMBERS

Mazuma would not exist without our Members (past, present, and future) and we will continue to stay strong, anchored in our purpose, grounded in people, and meaningful in service to you. May we all work together for all generations and lives to be better because we are here. May we continue to seek out the power of partnerships and prioritize the lifting up of others above self. And may we prepare our next generation to stand in strength on what we are building for years to come!

Thank you all for all you are doing to help us fulfill our purpose of **Making Kansas City a Better Place to Live, Work, and Bank!**



## MEMBER ENGAGEMENT

In 2023, more than **2,000** Members and potential new Members attended **7** Member Appreciation Events. We're so grateful to have Members who celebrate with us!



## MEMBER EXPERIENCE

We provide Member Experience (MXP) surveys because we value your feedback and use it to guide our efforts and growth. Our 2023 MXP Total Experience Score came in at **4.79** (out of 5) with our Individual Score coming in at **4.82!**



## MEMBERSHIP GROWTH

Our Members are at the heart of everything we do, and we were excited to end the year able to serve **73,275 Members** across the Kansas City metropolitan area!

## MEMBER PRODUCTS & SERVICES

As we celebrated our 75th Anniversary year, we were proud to offer our Members impressive rates on Certificates of Deposit and other products. We're committed to providing great value through **lower loan rates, higher dividends on deposits, and personalized Member service.**

We are expanding the **Treasury Management Services** offered to our Members through our **Small Business Banking Team!** These services help businesses manage their cash flow and liquidity, coordinate access among multiple users, and monitor for and avoid fraud.

Our award-winning **Preferred Partner** program, in which we partner with local businesses to provide access and education around our financial products and services, now serves 28 businesses and continues to grow!

Our ongoing rollout of **contactless cards** continues to expand! Sometimes called "tap to pay" cards, contactless cards save time at the register and reduce security threats through data encryption.





# MAZUMA EXPERIENCE – COMMUNITY

Credit unions serve a unique and vital purpose in our communities, providing financial opportunities, access, and support with a local focus and dedication to giving back. Our higher purpose is reflected not just in the banking products and services we provide, but also in the larger positive impact we make on our communities.

Mazuma is proud to uphold our certification as a Community Development Financial Institution (CDFI), a designation awarded to specialized institutions that provide financial services in low-income communities and to people who lack access to financing, empowering underserved people and communities.

Kansas City is lucky to be home to so many passionate people and organizations that do so much good, and Mazuma is honored to be able to provide support for our **75+ Community Partners** by sharing our time, our space, and our resources.

During our record-breaking 6th Annual Give Back Day in October, 180 Team Members spent over 1,400 volunteer hours with 6 impactful local organizations at 10 locations across the city.



The Mazuma Foundation's 2023 grants awarded a total of

**\$90,000**

to nine organizations that make a positive impact in our community!



**100+**

attendees at our **CU Disrupt** event in partnership with the CAPS program.



OVER **6,300** VOLUNTEER HOURS IN 2023



In 2023, our monetary, volunteer time, and community space **Give Back** efforts totaled over

**\$360,000!**



**100+**

participants in our youth **Financial Education Day** for Jack & Jill of America.



Additionally, Mazuma continues to support learning and growth through our **\$75k+ endowments** with **UMKC** and **JCCC**, as well as scholarship opportunities for local students.

## SPIRIT OF PHILANTHROPY

We received the **Spirit of Philanthropy Award** from the Association of Fundraising Professionals – Kansas City Chapter. This award is given to an organization that “demonstrates outstanding commitment through financial support... and motivation of others to take leadership roles toward philanthropy and community involvement.”

We're grateful to the AFPKC for this recognition!



# FINANCIAL PERFORMANCE

**73,275**  
MEMBERS

**18,086**  
AUTO LOANS  
FOR OUR MEMBERS

**1,567**  
HOME LOANS  
FOR OUR MEMBERS

**\$707,035,044**  
TOTAL LOANS

**\$973,886,503**  
TOTAL ASSETS

In 2023, Mazuma Credit Union celebrated 75 years of service. From humble beginnings, we have grown to a credit union serving approximately 73,275 Members with 12 local branches, total assets of \$973 million, and capital of \$97 million as of December 31, 2023. Mazuma remains a solid, safe, and reliable financial partner committed to **Making Kansas City a Better Place to Live, Work, and Bank.**

It was a challenging year for the entire financial industry and Mazuma was impacted by many of the trends that played out nationally. Interest rates remained elevated throughout the year. This had a negative impact on our mortgage loans, which were down by about 4% from the prior year. Additional interest income generated from loans and our investments was largely offset by the higher cost of funds and increases in our loan loss reserve. Checking and saving deposits also proved difficult to obtain in 2023. In response to this environment, Mazuma increased our total deposits by about 6% by offering very competitive rates on certificates of deposit.

During 2023, the cost of the funds we use to make our loans increased due to the larger amounts of certificates of deposit issued to our Members. Higher interest rates enabled our loan income to increase. This increase, however, was largely negated by the interest expense associated with certificates of deposit together with certain other expenses that exceeded our budget. Interest earned by our Members related to certificates of deposit increased by approximately 120% in 2023.

Mazuma's total income for 2023 approximated \$66 million, offset by total expenses of \$63 million. This resulted in income in excess of our expenses of about \$3 million, down about \$2.5 million in comparison to 2022.

As we look forward to 2024, we anticipate many of the same challenges we experienced in 2023. Future Federal Reserve decisions on interest rates will continue to impact our operations and financial performance. However, we have taken strategic steps to ensure we manage the current environment in a way that is responsive to our Members' needs. One important step is maintaining a solid capital position - 10.5% as of December 31, 2023 - which is well within the guidelines specified by our regulators.

Our liquidity remains strong and solid. As such, Mazuma remains well positioned to serve the needs of our Members and our community as we enter 2024.

We encourage all our Members to review our Financial Report for more detailed information regarding our results and financial position.



All my best,  
**John Lathrop,**  
Board Treasurer

## Balance Sheet as of December 31st, 2023

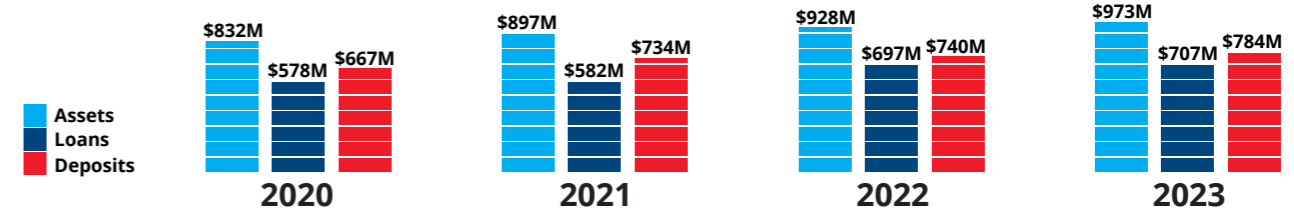
Assets	2019	2020	2021	2022	2023
Loans to Members	\$526,768,962	\$578,239,582	\$640,072,177	\$697,036,600	\$707,035,044
Investments	\$94,585,390	\$172,645,657	\$179,816,747	\$143,814,653	\$183,599,560
Fixed Assets	\$26,890,779	\$26,781,761	\$27,079,245	\$28,037,948	\$26,809,507
Other Assets	\$46,392,996	\$54,138,496	\$48,780,986	\$60,017,280	\$56,442,392
Total Assets	\$694,638,127	\$831,805,496	\$895,749,155	\$928,906,481	\$973,886,503

Liabilities and Equity	2019	2020	2021	2022	2023
Liabilities	\$66,717,194	\$81,764,331	\$66,081,852	\$93,375,903	\$92,360,737
Deposits	\$556,146,301	\$667,436,673	\$733,635,970	\$740,000,190	\$784,456,131
Equity	\$71,774,632	\$82,604,492	\$96,031,333	\$95,530,388	\$97,069,635
Total Liabilities and Equity	\$694,638,127	\$831,805,496	\$895,749,155	\$928,906,481	\$973,886,503
Members	64,650	70,168	71,658	72,445	73,275

Income	2019	2020	2021	2022	2023
Loan Income	\$28,054,799	\$28,562,645	\$31,622,357	\$34,669,243	\$41,533,333
Investment Income	\$2,734,276	\$1,361,134	\$1,302,634	\$2,822,725	\$5,934,561
Other Income	\$18,292,214	\$16,380,107	\$14,530,744	\$15,680,561	\$19,621,692
Non-Operating Income	\$-	\$5,310,537	\$4,446,091	\$1,534,535	\$(1,415,002)
Total Income	\$49,081,289	\$51,614,423	\$51,901,826	\$54,707,064	\$65,674,584

Expenses	2019	2020	2021	2022	2023
Operating Cost	\$34,956,011	\$35,927,308	\$34,175,170	\$45,149,010	\$49,494,008
Dividends and Interest	\$6,701,563	\$5,455,020	\$3,861,753	\$4,110,029	\$13,027,428
Total Operating Cost	\$41,657,574	\$41,382,328	\$38,036,923	\$49,259,039	\$62,521,436

Net Income	\$7,423,715	\$10,232,095	\$13,864,903	\$5,448,025	\$3,153,148
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- Assets** 4.8% ↑
- Loans** 1.4% ↑
- Deposits** 6.0% ↑
- Small Business Loans** +\$13M



# OPERATIONAL EXCELLENCE

As we remain committed to the highest standards of Member Service, ongoing initiatives include both in-branch Member Experience improvements and behind-the-scenes efforts to ensure the safety and soundness of our operations as well as the security of Member data.



## CYBER & INFORMATION SECURITY

We continue to employ up-to-date cybersecurity best practices that utilize the latest technologies and industry standards while promoting a culture of security awareness and education throughout our organization to keep Member data safe.



Our newly launched **Member Security Awareness Program** provides current, actionable education to help our Team and Members keep their accounts and information secure!

## REGULATORY EXAMS

In addition to internal and external audits, Mazuma undergoes a yearly independent examination by the Missouri Division of Credit Unions to assess the Credit Union's effectiveness in managing its risks. Our 2023 regulatory examination results were positive due to the continued efforts of our volunteers, leaders, and Team Members.

**200+**    
 Training Courses facilitated to enhance Member Experience!



**12+**  
 Process Improvement Initiatives by our Member Service Support Team to enhance operations.

# WHAT'S TO COME

## SOCCER SPONSORSHIPS



Kansas City is the Soccer Capital of America, and we're excited to now partner with both the Sporting Kansas City and Kansas City Current soccer clubs! As our city prepares to host the World Cup in 2026, Mazuma's soccer sponsorships give us visibility in our community and unique opportunities to share our purpose.

We hope to see you out at Children's Mercy Park or CPKC Stadium!

Proud to be the **Official Mortgage Sponsor** of Sporting Kansas City



Excited to be the **Official Credit Union** of the Kansas City Current



## VIEWPOINT PROJECT

We were thrilled when the production team behind the Viewpoint Project with Dennis Quaid reached out to ask us if we would like to be part of their nationally televised series of uniquely designed educational mini documentaries. Viewpoint segments inform viewers across the country about the very latest topics and trends impacting the world, and we're excited to announce that a feature on Mazuma is airing in 2024!

We're honored by this opportunity to share our perspective on the unique and vital purpose of credit unions as community-centered banking institutions that exist to serve our Members. We hope you'll tune in!



# CREDIT UNION IMPACT



Representatives from Mazuma attended **27 legislative visits** with state and federal policymakers to advocate for our Members on issues including data security, the SAFE Banking Act, and more!



## 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.**

Credit unions provided **\$21,463,585,375** in direct financial benefits to the nation's **137,454,588 Members** during the twelve months ending September 2023.

**These benefits are equivalent to \$156 per Member or \$328 per Member household.**

## KANSAS CREDIT UNION IMPACT

Kansas credit unions provided \$108,827,488 in direct financial benefits to the state's 855,235 Members during the 12 months ending September 2023.

**These benefits are equivalent to \$127 per Member or \$267 per Member household.**

**77**

CREDIT UNIONS IN KANSAS

**855,235**

CREDIT UNION MEMBERS IN KANSAS

**\$97M**

CONSUMERS' FINANCIAL BENEFIT

**\$891M**

TOTAL ECONOMIC IMPACT

## MISSOURI CREDIT UNION IMPACT

Missouri credit unions provided \$158,353,923 in direct financial benefits to the state's 1,700,756 Members during the 12 months ending September 2023.

**These benefits are equivalent to \$93 per Member or \$196 per Member household.**

**101**

CREDIT UNIONS IN MISSOURI

**1.7M**

CREDIT UNION MEMBERS IN MISSOURI

**\$146M**

CONSUMERS' FINANCIAL BENEFIT

**\$8.04B**

TOTAL ECONOMIC IMPACT



# MAZUMA LEADERSHIP

The passion and dedication of our **Executive Leadership Team** inspires and guides us in our efforts to provide the best possible service to our Members and our community. They are true leaders not only in the example they set, but in their commitment to nurturing the best in their teams as we work together to fulfill our unique and vital purpose.

**Deonne Christensen**

President & CEO



**Dan Engelhard**

Chief Lending Officer



**Michelle Wood**

Chief Culture Officer & Diversity and Inclusion Officer



**Justin Mouzoukos**

Chief Financial Officer



**Brad Rein**

Chief Information Officer



Our Credit Union is guided by a volunteer **Board of Directors and Supervisory Committee** who dedicate their time and expertise to ensure that we are growing, thriving, safe, sound, and anchored to our purpose. Unlike bank boards, they are not paid shareholders but are here solely to support the Credit Union mission. They are fellow Members, Kansas Citians, and a beautifully diverse group of leaders and professionals from a variety of backgrounds, industries, and experiences. We thank them deeply for their service!



## 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

## Supervisory Committee:

Catherine Cole

Beth Franklin

Harry Heflin

Lynn Matthews

Rollie Scott

Matt Wolfe



# COMMUNITY PARTNERS

We are honored to provide support for our 75+ Community Partners by sharing our time, our space, and our resources with organizations that make a positive impact on our city and our community.



# MAKING KANSAS CITY A BETTER PLACE TO LIVE, WORK, AND BANK



That's how  
we Mazuma.







## FOLLOW US

 @MazumaCU


 Mazuma Credit Union

 Mazuma Credit Union

## CONTACT US

 913.574.5000

 [membersupport@mazuma.org](mailto:membersupport@mazuma.org)

 7260 W. 135th St.  
Overland Park, KS 66223



Insured by NCUA  
NMLS ID: 447164

**mazuma**<sup>®</sup>  
Credit Union