

CELEBRATING **75** YEARS



**MATANUSKA VALLEY
FEDERAL CREDIT UNION**

2023

2023



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FEDERAL CREDIT UNION

CELEBRATING 75 YEARS

1948 ... a year to remember for so many reasons!! For Matanuska Valley Federal Credit Union (MVFCU) it was the beginning of what has become a 75-year relationship serving our communities and members.

Our 75th Anniversary year saw incredible opportunities to bring the Celebration to so many people. Through Community Office Celebrations with gifts, prizes and food trucks, to Employee Celebrations through events and dinners and Community Celebrations with special cash donations for events and causes, we did our best to spread the joy!

But a look back at 1948 is also a reminder of “our financial world” when it all began. Did you know:

- A typical American house cost \$3,775.
- A new car cost \$920.
- A movie ticket was 30 cents.
- The cost of a first-class stamp was \$0.03.

A lot has changed in the past 75 years but one thing that hasn't changed... our commitment to great service, offering products that makes sense for our members... it's the MVFCU Way!



BOARD OF DIRECTORS



**KAREN
FOSTER**

CHAIR



**JOSEPH
HAWKINS**

VICE CHAIR



**AMY
ROBERTS**

SECRETARY/TREASURER



**CRYSTAL
STANLEY**

DIRECTOR



**DAVID
COMBS**

DIRECTOR



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DIRECTOR

SUPERVISORY COMMITTEE

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REISTERER**
CHAIR

**DAVE
TAYLOR**
MEMBER

**RICK
ANTONIO**
MEMBER

**HANHAH
NEWBERRY**
MEMBER



YEAR-END REPORT

It brings us great pleasure to share Matanuska Valley Federal Credit Union's annual report as we celebrate our 75th year of service. Over the decades, MVFCU has remained steadfast in our commitment to integrity, trust, and innovation, serving both our members and community with dedication.

Reflecting on our humble beginnings on December 7, 1948, with just 20 members and a combined share balance of \$395.00, we honor the vision of our original charter members:

- Carl R. Rasmussen
- Charles Scheefer
- Simon J. Newcomb
- Thomas Lepak
- M.D. Snodgrass
- Oscar Keatlliche
- James Berry
- James W. Wilson

In 2023, we experienced favorable financial outcomes, with \$184,150,807 in loans granted to members bringing our end of year, December 2023 loan total to \$526,718,969, marking a 14.58% growth in loans. Additionally, deposits increased to \$792,311,353, representing a 9.04% growth, and our membership grew by 7.18%, reaching a total of 58,347 members. With total assets of \$933,579,142 and a net worth of 9.28%, MVFCU maintains a robust financial position.

Amidst global economic challenges, MVFCU has remained resilient, thanks to our commitment to sound financial management, prudent risk-taking, and strategic decision-making. In 2023, we focused on several key areas:

1. Welcoming a significant number of new members into the MVFCU family, a testament to the trust and confidence placed in us by the community.
2. Investing in digital platforms and services to enhance the member experience, offering convenient, secure, and efficient financial solutions.
3. Continuing our unwavering support for the communities we serve through various initiatives, sponsorships, and partnerships, making a positive impact on the lives of our members and neighbors.
4. Recognizing our dedicated team of professionals as the cornerstone of our success, we express gratitude for their hard work, dedication, and passion for serving our members with excellence.

Looking ahead, MVFCU remains steadfast in our mission to empower our members to achieve their financial goals and dreams. We commit to innovation, adaptation, and growth to meet the evolving needs of our members and community.

On behalf of MVFCU, we extend heartfelt gratitude to our members, employees, Board of Directors, and community partners for their unwavering support and trust in our Credit Union. Your contributions have fueled our success for 75 years, and we eagerly anticipate many more years of service together. Thank you for being an integral part of the MVFCU journey.

Sincerely,



Ed Gravley
Ed Gravley
Chief Executive Officer



Karen Foster
Karen Foster
Board Chairperson



SUPERVISORY COMMITTEE REPORT

At MATANUSKA VALLEY FEDERAL CREDIT UNION (MVFCU), the safety of our members' assets is of the utmost importance. Significant steps are taken to provide the tools and protections necessary to ensure the security of resources members entrust to MVFCU. One of these tools is a team of local volunteers called the Supervisory Committee.

Federal regulations establish the primary function of the Supervisory Committee, "To ensure ongoing reviews and audits to make sure that credit union records are maintained properly, honestly, and accurately; that policies established by law and by the Board of Directors are carried out faithfully; and that members' assets are safeguarded and used according to the purposes of the Credit Union." The MVFCU Supervisory Committee is committed to fulfilling its duty to the membership through the performance of these key responsibilities.

A primary Committee responsibility is monitoring and strengthening the procedures used to ensure safety and soundness of member assets. A core part of this commitment is engaging MVFCU's independent external auditor, Moss Adams, LLP. Moss Adams is one of the nation's leading CPA firms with a specialized financial services practice group that is well equipped to provide an audit of MVFCU's consolidated financial statements in a complex and evolving environment. Additionally, in 2023 MVFCU contracted with Moss Adams to perform the annual Loan Underwriting and Credit Quality review of all MVFCU's loans. Both reviews produced an outcome that was clear and satisfactory.

The direction of MVFCU's internal audit efforts is another responsibility of the Supervisory Committee. The audits performed by the internal auditor provide an additional layer of review to the effectiveness and compliance of the internal policies and procedures as well as the federal regulations that MVFCU is operating within. The Supervisory Committee meets quarterly with management and the internal auditor.

The National Credit Union Administration (NCUA) also conducts periodic examinations of MVFCU. During our last examination, the NCUA looked at seven major risk areas: Credit Risk, Interest Rate Risk, Liquidity Risk, Transaction Risk, Compliance Risk, Strategic Risk, and Reputation Risk. As of September 30, 2022 the NCUA again provided MVFCU with an overall rating indicative of a well-managed credit union.

Your Credit Union continues to be a safe, secure, and well-run financial institution. You can place your trust and financial future in your member-owned, and locally operated financial cooperative.




Matthew J. Reisterer
CHAIR | MVFCU SUPERVISORY COMMITTEE



STATEMENT OF FINANCIAL CONDITION

YEARS ENDING DECEMBER 31

ASSETS	2023	2022
CASH AND CASH EQUIVALENTS	\$ 102,037,538	\$ 10,756,347
INVESTMENTS, AT FAIR VALUE	286,144,136	303,219,833
LOANS RECEIVABLE NET OF ALLOWANCE FOR LOAN LOSS	522,279,898	456,695,654
PREMISES AND EQUIPMENT, NET	9,102,057	7,507,369
NCUA SHARE INSURANCE FUND	6,763,648	6,463,151
ALL OTHER ASSETS	7,251,865	6,453,915
TOTAL ASSETS	\$ 933,579,142	\$ 791,096,269
LIABILITIES & MEMBERS' EQUITY		
MEMBERS' SHARES	\$ 792,311,353	\$ 726,607,173
OTHER LIABILITIES	81,647,958	18,055,325
RESERVES AND UNDIVIDED EARNINGS	82,428,496	75,440,062
UNREALIZED GAIN (LOSS) ON INVESTMENTS	-22,808,665	-29,006,291
TOTAL LIABILITIES AND EQUITY	\$ 933,579,142	\$ 791,096,269

STATEMENT OF INCOME & EXPENSE

YEARS ENDING DECEMBER 31

INTEREST INCOME	2023	2022
INTEREST ON LOANS	\$ 24,579,630	\$ 17,661,934
INCOME FROM INVESTMENTS	12,155,898	7,387,533
TOTAL INTEREST INCOME	\$ 36,753,528	\$ 25,049,467
LESS		
DIVIDENDS	\$ 5,706,827	\$ 1,126,579
INTEREST ON BORROWED MONEY	2,832,716	46,854
PROVISION FOR LOAN LOSSES	2,076,173	801,182
NET INTEREST INCOME AFTER PROVISION FOR LOAN LOSSES	\$ 26,116,812	\$ 23,074,852
OPERATING EXPENSES		
COMPENSATION AND BENEFITS	\$ 15,905,528	\$ 15,282,920
OFFICE OPERATIONS	3,913,168	3,673,451
PROFESSIONAL AND OUTSIDE	1,960,349	1,546,488
OFFICE OCCUPANCY	1,339,035	1,290,328
EDUCATIONAL AND PROMOTIONAL	1,355,718	1,145,457
OTHER OPERATING EXPENSES	561,506	434,869
TRAVEL AND CONFERENCE	282,236	219,668
LOAN SERVICING	309,302	221,003
TOTAL OPERATING EXPENSES	\$ 25,626,842	\$ 23,814,184
PLUS		
OTHER OPERATING INCOME	7,114,636	6,602,871
NON-OPERATING INCOME	(81,220)	(1,836,327)
NET INCOME	\$ 7,523,386	\$ 4,027,212



FIVE YEAR TRENDS

	SHARES	LOANS	AUTO LOANS	ASSETS
2023	\$ 792,311,353	\$ 526,718,969	\$ 209,597,142	\$ 933,579,142
2022	\$ 726,607,173	\$ 459,708,607	\$ 168,632,070	\$ 791,096,269
2021	\$ 691,496,271	\$ 364,667,872	\$ 120,751,796	\$ 770,336,486
2020	\$ 586,112,670	\$ 306,279,325	\$ 98,876,615	\$ 663,901,697
2019	\$ 487,735,859	\$ 278,673,889	\$ 89,004,782	\$ 556,365,014

	MEMBERS	NET WORTH	NET WORTH RATIO
2023	58,347	\$ 82,428,496	9.28%
2022	54,438	\$ 75,440,062	9.62%
2021	51,501	\$ 71,412,850	9.81%
2020	49,179	\$ 65,440,243	10.60%
2019	47,303	\$ 63,477,619	11.84%

2023 LOAN COMPOSITION

CONSUMER UNSECURED LOANS	\$ 16,478,857
AUTO LOANS	\$ 209,597,142
OTHER CONSUMER SECURED LOANS	\$ 64,216,347
RESIDENTIAL REAL ESTATE LOANS	\$ 152,743,549
COMMERCIAL LOANS	\$ 83,683,074





MAKING A DIFFERENCE SINCE 1948



In addition to our annual support of local events and organizations that totaled over \$140,000, in celebration of our 75th Anniversary, we gave away an additional \$57,500 in donations to the following local non-profits in special recognition of their community efforts

- Beacon Hill Mat-Su
- Denali Arts Council
- Alaska Veterans Sports, Inc.
- Arctic Winter Games
- Skeetawk



MATANUSKA VALLEY FEDERAL CREDIT UNION DAY

In support of our efforts, the Mayor of Palmer through formal proclamation, named

**May 25, 2023,
Matanuska Valley
Federal Credit Union Day.**





CELEBRATING 75 YEARS OF THE MVFCU WAY

Community Office Celebrations

Every month one of our Community Office locations had a special one-day event for our members and community where we gave away a Craftsman generator, a Traeger Grill and a Yeti cooler as a door prize.



Everyone who came to the Community Office that day also received a gift bag of free prizes. We invited a local food truck to join us for the day and gave away food coupons to all who came and broadcast our event live on a local radio station.



During the celebration, we also highlighted a local charity, asking for donations to support their cause.



Employee Celebrations



For employees, we celebrated by having two employee specific events... a free day at the Alaska State Fair with a catered meal and a special holiday party during the Christmas Holiday season.





**MATANUSKA VALLEY
FEDERAL CREDIT UNION**

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