

# YOUR FINANCIAL CHAMPION

## *2023 Annual Report*





## Reaching new heights.

As we reflect on 2023, we're proud to share with you, our members, various improvements MSGCU made last year making it more convenient to bank with us. Some highlights include a digital referral program to make it easy to share MSGCU with friends and family; a new online account opening experience making it quick and easy for new members to join; our Member Fast Cash loan to support members with unexpected expenses 24/7; a tool called Credit Score that provides members with free access to their credit score and credit report; and a new QuickPay experience for easier loan payments when paying from another bank or credit union.

We continue to provide convenience for our members as we now have 22 branches, including new branches in Canton and Rochester Hills, as well as Ann Arbor and Shelby Township, at 26 Mile and Van Dyke, which opened in early 2024.

We are honored you have awarded us with high satisfaction ratings for our service, our financial programs, our convenient locations, and our people helping people programs. Again in 2023, you gave us a 97% member satisfaction rating. In addition, our team members recognized MSGCU as a Detroit Free Press Top Workplace for the 11th consecutive year.

Community service remained a focus in 2023. We gave back to local students and schools through our annual scholarship and Classroom Cash Grants programs. We brought a program promoting a school culture of kindness and compassion to Saline High School. We also provided an Economic Relief Loan to striking UAW workers facing financial hardships.

MSGCU experienced another successful year, and we are looking forward to serving members in the year ahead. MSGCU will continue to provide value to its membership by keeping fees low and providing highly competitive rates to help members grow their savings and keep more money in their pockets. We thank you all for your trust in us as your financial champion, and we look forward to another year of service to our mission of being a caring organization dedicated to promoting financial success for our members.

Sincerely,

*William F. Cayen*

William Cayen  
Board Chairperson

Steve Brewer  
President/CEO

97%



Member Satisfaction Rating

11



Consecutive Years Top Workplace

20



Convenient Branches

448



Friendly Team Members

149K



Valued Members

3.1B



Dollars in Loans

3.6B



Dollars in Assets

As of December 31, 2023

## Celebration and appreciation.

### Membership

MSGCU is able to continually give back to the communities that we serve. We were pleased to welcome 17,999 new members to MSGCU, which reached 149,277 members at the end of 2023.

### 2023 Awards

**Credit Union National Association, Alphonse Desjardins Adult Financial Education Award:** MSGCU earned Second Place for our financial literacy leadership in workplace education, including sessions offered to cadets at the Washtenaw Community College Police Academy and future cosmetologists at Paul Mitchell.

**Callahan Return of the Member Scoring:** A scoring system exclusive to industry analyst Callahan and Associates that demonstrates how much value a credit union delivers to its members. In the latest report (December 2023), MSGCU ranks #10 in the nation.

**Forbes 2023 Best Credit Unions in Each State:** Out of nearly 4,800 credit unions nationwide, MSGCU is one of only 147 that made Forbes ranking of the best credit unions in each state. MSGCU ranks second of the five credit unions in Michigan that made the list.

**Member Giveback:** We are proud to help members keep their hard-earned money in their pockets throughout the year. In 2023, MSGCU gave back over \$8.7M in value to our members, or \$73 per member household, compared to other community financial institutions through lower rates on loans and higher rates on deposits, according to analysis from research firm Raddon.



**Detroit Free Press: Top Workplaces Award, Eleven Years,** a reflection of our team members' feedback and our commitment to fostering a positive and rewarding workplace environment.



## Dedicated to the communities we serve.

### Member and Community Support

**Classroom Cash Grants:** \$45,074 in grants was awarded to 64 educators representing 54 schools across the Metro Detroit area. The grants, worth up to \$750 each, help with the implementation of innovative learning experiences.

**Scholarships:** \$110,500 was granted in 2023 through scholarships to help offset the costs of education. Scholarships were awarded to 47 recipients including high school seniors, students studying education and skilled trades, teachers furthering their education, and future first responders.

**Community Partnerships:** 350 virtual and in-person financial education workshops were presented with local schools, libraries, businesses, and community centers. Additionally, 9 student reality fairs were hosted and more than 21,000 community members increased their financial knowledge.

**Community Champions:** 1,615 volunteer hours were provided by team members to 66 local organizations of their choice. Organization-wide, the American Red Cross, Food Gatherers in Ann Arbor and Southeastern Michigan, Gianna House, Macomb County Foster Closet, Reunite the Fight, Snowpile at Children's Hospital of Michigan, and Gifts in Kind at C.S. Mott Children's Hospital in Ann Arbor were supported.

**Giving Back:** \$19,000 in grants were given to local organizations serving our communities such as multiple fire and police departments in Southeastern Michigan, and Michigan Veteran Homes.

**Checking Charity Campaign:** \$30,800 was donated to three community partners that provide assistance to causes important to educators and first responders. During our fall checking campaign, each checking account opened that met the criteria resulted in a \$50 donation that totaled \$30,800 distributed between the American Lung Association in Michigan, Blessings in a Backpack, and Michigan Concerns of Police Survivors.

**Member Appreciation and Shred Days:** 45,000 lbs. of sensitive documents were securely destroyed during our annual event, keeping our members safe from fraud and saving over 383 trees.

**CU Lunch Local:** \$4,281 in delicious lunch purchases going back into our local communities. Team members participated in an industry-wide cash mob in October to support locally owned restaurants.

**Rachel's Challenge:** To help cultivate positive change, MSGCU helped Saline High School implement Rachel's Challenge. This ongoing program builds a school culture of kindness, compassion, and daily connection to prevent school violence and bullying.

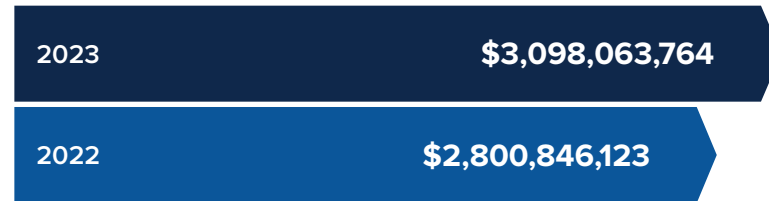


## Statistics

### Assets



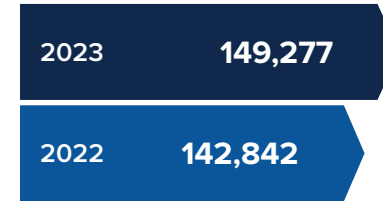
### Loans



### Net Worth



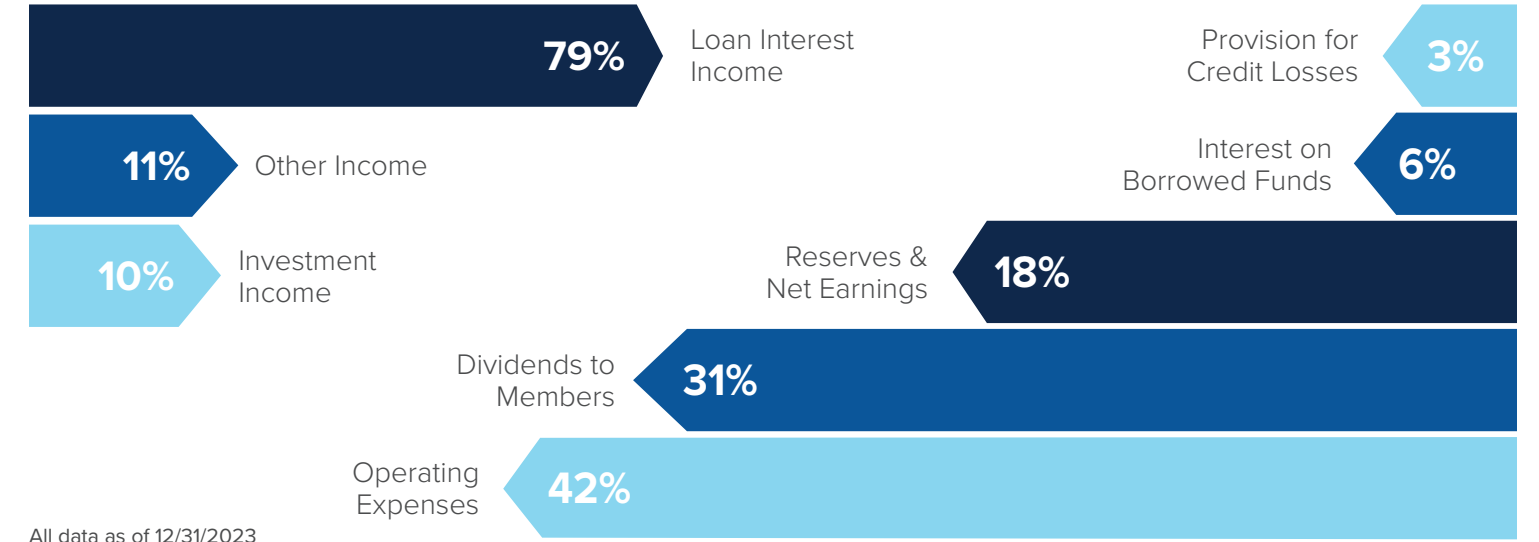
### Members



## Balance Sheets

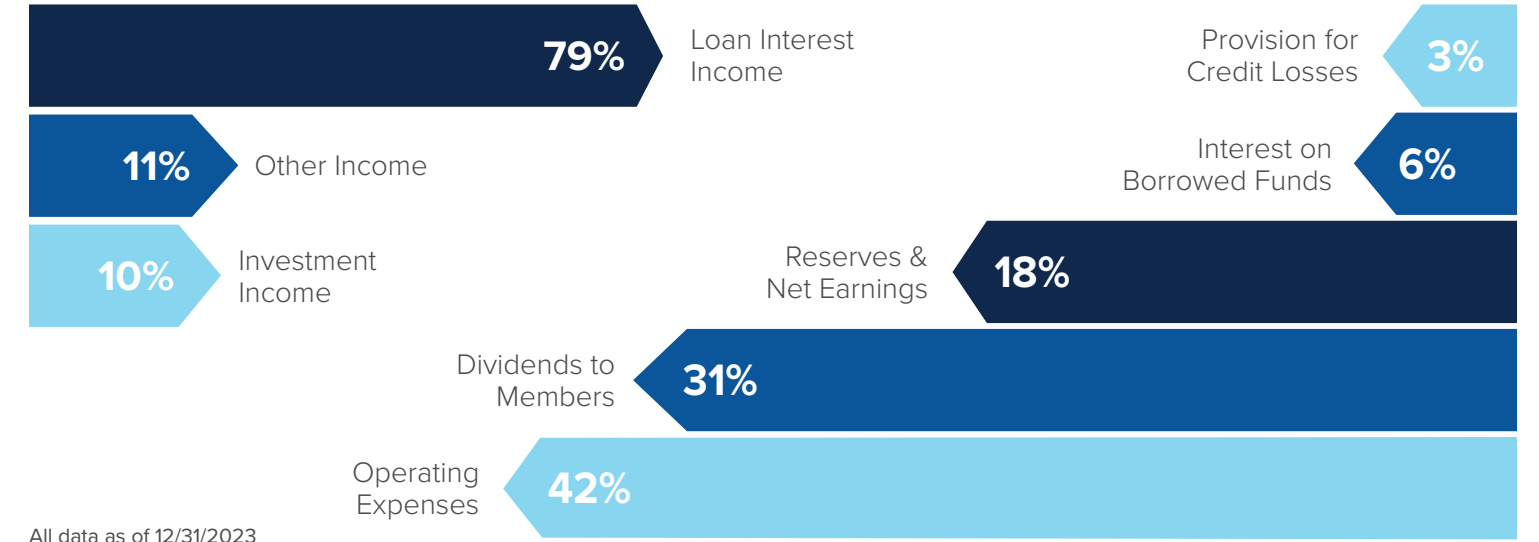
	2023	2022
<b>Assets</b>		
Cash and Investments	\$393,517,550	\$412,752,992
Loans to Members	3,098,063,764	2,800,846,123
Land, Buildings, and Equipment	77,084,054	67,829,111
Other Assets	60,378,811	47,412,774
<b>Total Assets</b>	<b>\$3,629,044,179</b>	<b>\$3,328,841,000</b>
<b>Liabilities and Net Worth</b>		
Member Savings	\$2,842,716,900	\$2,730,349,166
Other Liabilities	359,314,096	201,827,328
Net Worth	427,013,183	396,664,506
<b>Total Liabilities and Net Worth</b>	<b>\$3,629,044,179</b>	<b>\$3,328,841,000</b>

## Sources of Revenue



All data as of 12/31/2023

## Uses of Revenue



## Income Statements

	2023	2022
Total Interest Income	\$151,579,965	\$96,808,079
Cost of Funds	63,728,057	17,174,011
Net Interest Income	87,851,908	79,634,068
Provision for Credit Losses	4,500,000	1,200,000
Net Interest Income After Provision	83,351,908	78,434,068
Non-Interest Income	18,475,193	19,292,604
Salaries and Benefits	41,325,031	37,682,797
Office Operations	13,883,120	12,080,027
Loan Servicing	8,531,339	7,272,357
Other Expenses	7,738,934	7,684,779
Total Operating Expenses	71,478,424	64,719,960
<b>Net Income</b>	<b>\$30,348,677</b>	<b>\$33,006,712</b>

## A message from the Audit Committee.

The primary responsibility of the Audit Committee is to ensure that Michigan Schools and Government Credit Union is managed soundly and that members' assets are being appropriately safeguarded.

The Audit Committee engaged the certified public accounting firm of Doeren Mayhew to perform an independent audit of the Credit Union's financial statements for the year ending December 31, 2023. An unmodified opinion was received, and any reported suggestions have been forwarded to the Board of Directors and management for their review and handling.

During 2023, the certified public accounting firm of Rehmann conducted various IT, operations and compliance related audits and reported results to the Audit Committee and management. There were no major exceptions in any of their findings.

Sincerely,



Elizabeth Argiri  
Treasurer & Audit Committee Chairperson

## Meet the volunteers who define our direction.

We are proud to have this group of distinguished professionals represent MSGCU members on our Board of Directors.



William F. Cayen  
Chairperson



Douglas J. Smith  
Vice Chairperson



Richard L. Shoemaker  
Secretary



Elizabeth Argiri  
Treasurer



Christina S. Ayar  
Director



Edward D. Callaghan  
Director



Teresa DiMaria  
Director



Richard P. Maierle  
Director



James S. McCann  
Director



Charles Thomas  
Director

Welcome to our  
newest board member.



Wanda Cook-Robinson,  
BA, MA, EdS, PhD  
Superintendent, Oakland County  
Schools

Wanda Cook-Robinson is a senior-level administrator who has earned an extensive list of accolades as both a leader in education and the community.



**MICHIGAN**  
Schools & Government  
**CREDIT UNION**

YOUR  
FINANCIAL  
CHAMPION

We are a caring organization dedicated to promoting  
financial success for our members.