

2023 Annual Report



Security
Credit Union

MISSION STATEMENT

We are our members' trusted, secure financial cooperative dedicated to providing exceptional value, service, and convenience.

VISION STATEMENT

To ensure Security Credit Union's brand is held in the highest regard in the communities we serve, grow market share and capital, and expand presence through strategic mergers, acquisitions and partnerships.

Message from the Chairman

REFLECTIONS ON 2023

Dear Members,

As we look back on another year at Security Credit Union, it's my pleasure to reflect on the successes and milestones that shaped 2023. The year was one of growth and innovation, driven by our unwavering commitment to our members and our communities.

EXPANDING OUR FOOTPRINT

In 2023, we took significant steps to bring our services closer to you. The opening of our new branch in Waterford, Michigan, was a proud moment for all of us. This new location is more than just a building—it's a testament to our dedication to expanding access to financial services in the areas where our members live and work.

COMMUNITY FIRST

At Security Credit Union, our commitment to the community is as strong as ever. We've continued to support local organizations and events, ensuring that our presence goes beyond the financial industry. From sponsoring community programs to volunteering our time and resources, we are dedicated to enriching the lives of those around us.

Our involvement in community initiatives isn't just a corporate responsibility—it's a reflection of our belief that a thriving community is the foundation of a strong credit union. We're proud to have supported various local causes throughout the year and look forward to continuing this tradition in the years to come.

LOOKING FORWARD

We remain committed to putting our members first in everything we do. Your trust in us is what drives our success, and we are grateful for the opportunity to serve you. We are excited about the future and the new

opportunities it will bring for our credit union and our members.

Thank you for being a part of Security Credit Union. We look forward to another year of growth, service, and community together.



Sincerely,
John Truchan,
Chairman

Message from the President & CEO

Dear Members,

As we reflect on the past year, I am honored to step into the role of CEO, with 38 years at Security Credit Union, I am dedicated to enhancing member services, community engagement, and driving our mission forward. I am grateful for the trust and confidence the SCU Board of Directors has placed in me to lead the credit union into the future. I am fortunate to be surrounded by a great Board of Directors, management team, and every single employee who serves SCU's members and drives the success of the credit union. I look forward to continuing to work with the SCU team in support of SCU's mission, vision, and values.

2023 was a year of progress, adaptation, and preparation for future growth, and we are grateful for your continued trust and support. We owe a tremendous debt of gratitude to our dedicated employees and to you, our members, for your unwavering loyalty to Security Credit Union.

FINANCIAL STRENGTH AND STABILITY

2023 was a year of solid financial performance for Security Credit Union. Our focus on sound financial management and prudent decision-making ensured that we remained strong and secure. This stability allows us to continue offering competitive products and services that meet the diverse needs of our membership.

As part of our commitment to providing value to our members, we have also introduced new savings opportunities, including our expanded range of Certificates of Deposit (CDs) and launched support for Zelle, a service for transferring money between individuals. These products and services are designed to help you achieve your financial goals with confidence and security.

We were proud in 2023 to have opened our newest location and branch in Waterford, Michigan, further extending our reach into Metro-Detroit

and enhancing our ability to serve you. Additionally, we are excited to announce the opening of a new branch location in Midland, Michigan, as well as ongoing construction for a new branch in Lapeer; both of these new branches are expected to open in early 2025. These expansions will allow us to better serve our growing community and provide greater accessibility to our services.

LOOKING AHEAD

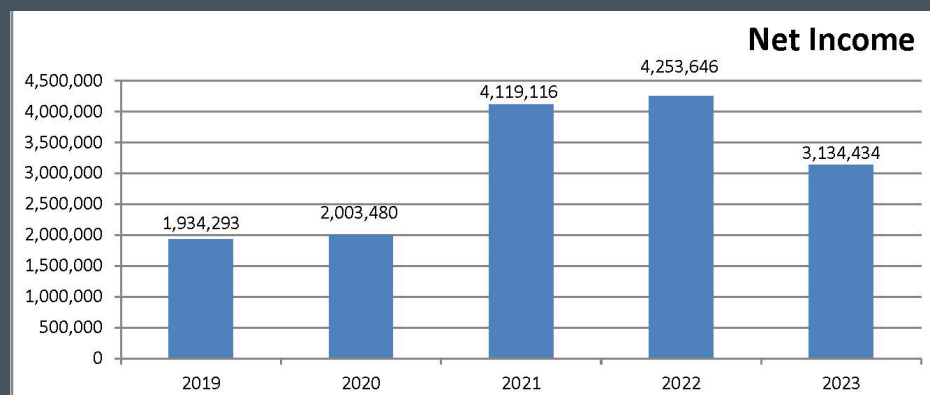
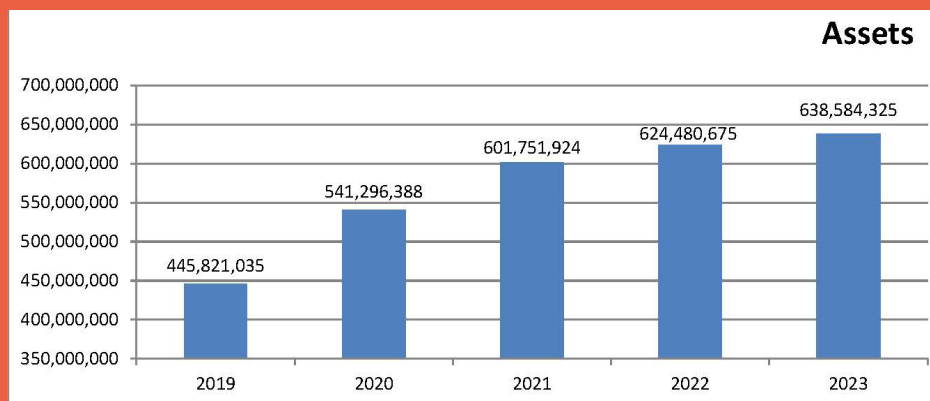
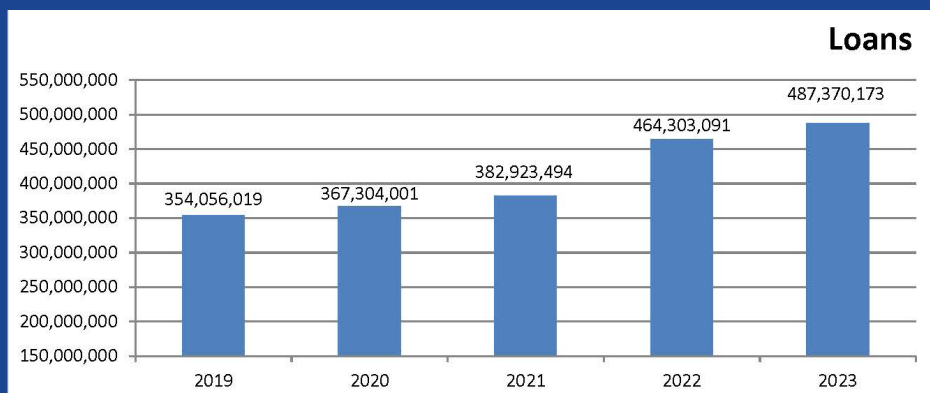
As we move forward, we remain dedicated to upgrading and enhancing our systems, products, and services to make banking with Security Credit Union as convenient and efficient as possible. Our members are at the heart of everything we do, and we are committed to helping you achieve your financial goals and dreams.

Thank you for your continued membership and trust in Security Credit Union. I am excited about the future and look forward to serving you in the years to come.



Sincerely,
Jay Yax,
President & CEO

Financial Summary



Statement of Financial Condition

As of December 31, 2023

	2023	2022
Assets		
Auto Loans	\$247,396,165.90	\$234,183,623.05
Recreational Loans	61,797,337.28	53,695,458.79
1st Mortgage Loans	52,653,909.00	54,641,274.23
Other Real Estate Loans	24,817,608.26	22,633,887.56
Signature Loans	27,098,916.31	27,910,791.85
Business Loans	23,895,593.08	21,443,462.99
Participation Loans	49,274,300.93	49,106,209.22
Other Loans	436,342.61	688,383.15
Total Loans	\$487,370,173.37	\$464,303,090.84
Allowance for Loan Loss	(4,814,050.00)	(2,066,298.41)
Net Loans	\$482,556,123.37	\$462,236,792.43
Cash & Investments	\$117,735,374.36	\$125,618,009.64
Fixed Assets	28,659,565.10	26,899,143.62
Other Assets	9,633,262.21	9,726,729.42
Total Assets	\$638,584,325.04	\$624,480,675.11
Liabilities and Equity		
Other Liabilities	\$54,427,191.96	\$48,508,475.30
Shares and Clubs	\$255,132,348.11	\$273,875,598.53
Checking	103,482,576.38	103,971,909.54
Money Market	92,102,101.32	111,374,099.88
Certificates	82,375,724.67	39,085,588.35
IRAs	6,349,086.81	6,661,029.29
Total Shares	\$539,441,837.29	\$534,968,225.59
Reserves	52,126,719.71	51,316,218.30
Other Comprehensive Income	(7,411,423.92)	(10,312,244.08)
Total Liabilities and Equity	\$638,584,325.04	\$624,480,675.11

Statement of Income and Expense

For Year Ending December 31, 2023

	2023	2022
Loan Income	\$25,344,709.40	\$19,881,833.06
Dividends	\$4,047,035.46	\$994,694.48
Investment Interest	\$2,041,005.91	\$1,860,707.73
Employee Compensation	\$8,274,800.16	\$7,355,863.86
Employee Benefits	3,387,129.76	3,028,201.49
Travel and Conference	167,397.26	138,551.92
Association Dues	25,400.34	24,643.79
Office Occupancy	2,983,684.41	2,818,458.14
Office Operations	6,212,868.66	5,736,131.69
Educational and Promotional	1,252,303.90	866,781.80
Loan Servicing	2,587,328.85	2,325,426.00
Professional and Outside Services	698,700.39	753,132.78
Provision for Loan Losses	2,247,877.46	624,824.00
Operating Fees	96,549.00	93,142.00
Share Insurance - Corp CU Stabilization	0.00	0.00
Miscellaneous	124,430.64	212,264.14
Total Operating Expense	\$28,058,470.83	\$23,977,421.61
Fees	\$4,193,525.24	\$4,035,104.37
Other Income	\$3,660,699.87	\$3,448,117.00
Total Miscellaneous Income	\$7,854,225.11	\$7,483,221.37
Net Income	\$3,134,434.13	\$4,253,646.07

Board of Directors

John Truchan
Chairman

Dick Hazel
Secretary

Joe Niedzwiecki
First Vice Chairman

Don Sorensen
Secretary

Don Henry
Second Vice Chairman

Jessie Collins
Director

Phillip Thick
Treasurer

Senior Management Team

Jay Yax
President & Chief
Executive Officer

Heidi Schwarz
Senior Vice President &
Chief Financial Officer

Bill Herron
Vice President,
Operations

Joe Regan
Vice President,
Information Technology

Scott Knopf
Vice President,
Lending & Loss
Prevention

Amanda Sherwood
Vice President, Human
Resources

Katie Krane
Vice President, Sales
& Service

Office Locations

MICHIGAN

2230 S. Center Road
Burton, MI 48519

4396 Highland Road
Waterford, MI 48328

2404 S. Linden Road
Flint, MI 48532

2882 Schust Road
Saginaw, MI 48603

8040 Holly Road
Grand Blanc, MI 48439

5200 Peck Road
Croswell, MI 48422

220 E. Main Street
Flushing, MI 48433

1400 E. Main Street
Owosso, MI 48867

337 E. First Street
Imlay City, MI 48444

2444 Clark Street
Detroit, MI 48209

1495 Imlay City Road
Lapeer, MI 48446

OHIO

1675 N. Lapeer Road
Lapeer, MI 48446

1001 S. Reynolds Road
Toledo, OH 43615

4805 E. 9 Mile Road
Warren, MI 48091





Security Credit Union



EQUAL HOUSING
OPPORTUNITY

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