



2020

ANNUAL REPORT



*Our Mission:
Advancing Lives.*

“ We are on a mission to advance the lives of people from a place of financial need to a life of ownership and giving back in our communities. ”

Shawn L. Hanson
CEO





Message From The Chairman

On behalf of the Board of Directors, I'm so proud to help guide an organization of people who are committed to showing compassion to its employees, members and communities. This year we were faced with something none of us saw coming but affected us all. Marine has continued its mission to advance members' lives and has guided them through a financially challenging year. While members' journeys may have taken a different route, for many the end goal remains. Marine is here to guide members along their individual paths. I'm privileged to be part of their journey.

Highlights of our accomplishments include:

- Over 34,500 members increased their credit scores
- We distributed over \$350 million in 2020 by granting loans in the communities we serve.
- We reacted quickly to the COVID-19 pandemic, moving to an 80% remote workforce and implementing a Pandemic Relief Program, Emergency Relief Loan Program and Compassion Task Force, while providing support to our local economies during this challenging year.
- The Marine Credit Union Foundation reached over \$1 million given back to the communities we serve since it began in 2014.

Thank you all for your support as we continue to grow and advance the lives of our members year after year.

Tom Knothe
Chairman of the Board



Message From The CEO

Clearly 2020 included many unforeseen challenges and conditions that we needed to overcome. But I'm thrilled to say that our team has grown and adapted to necessary changes quickly and with our same mission in mind: to advance the lives of people from a place of financial need to a life of ownership and giving back in our communities.

I'll let the stories in this report speak for themselves: our COVID Community Commitment, digital advancements, career highlights from some of our team members, examples of how our mission has helped our members and how community support has remained a top priority.

I'm honored to share these stories with you, and I'm proud of Marine Credit Union.

Shawn L. Hanson
CEO

Bill Sacia

Board Member Profile



A retired software business owner, Bill Sacia views his service on the Marine Credit Union Board of Directors as an extension of his commitment to a better community and to helping improve the lives of those who live in it.

“I had gotten to know Bob Carney, a longtime MCU board member, and was enthused by his dedication to the board and the mission of the credit union,” explains Bill. “When the opportunity came to serve on the board myself, I took it.”

“As credit union directors, we are charged with protecting and serving our members; but at the same time, we have an obligation to seek ways to better serve those who traditionally have not had reasonable access to loan funds” explains Bill. “At Marine, that mission is an intrinsic value throughout our entire organization, not just a slogan in the board room”.

For Bill, one important emphasis on the board is to help broaden the target market for Marine while still maintaining the mission; a calling that reflects the historical and fundamental reasons credit unions came into exist in the first place.

The difficulties created by the pandemic presented significant challenges for members, employees, and of course, to the operation of the business. Initially, those challenges fell most heavily upon Marine’s management.

Ultimately, everyone was impacted as they adjusted, adapted, innovated, (for most this meant working from home); and they did so with as little disruption of service as was reasonably possible. Bill sees the successful effort during this crisis and the organization’s commitment to members’ support as a manifestation of cooperative principles.

Looking ahead, we see the more-than-rapid advance of technology facing every business; and it surely confronts the board and the management of Marine. “How we embrace it, how well we incorporate it, and how well we anticipate and respond to the needs and wants of our members will define Marine for years ahead”, says Bill.

“I’m confident we have established a solid plan going forward, and we have the right people at Marine to make it work.”

Qualities, Responsibilities & Benefits

Qualities | We expect our Board members to possess:

1. Proven leadership capabilities with investor-owned companies or successful businesses of a significant scale.
2. Recognized experience holding self and others accountable while supporting individuals and ideas.
3. Demonstrated sales and networking skills, with an ability to professionally influence groups while maintaining relationships.
4. Demonstrated commitment to learning and continued improvement of self and others (e.g., advanced degrees, licenses, or certifications).

Board of Directors: Marine Credit Union



Robert Carney
Treasurer



Jonathon Horne
Third Vice Chair



Tom Knothe
Chair



William Maas
Second Vice Chair



Mic Michels
Advisory Director



Mark Reed
Secretary



William Sacia
First Vice Chair



Anne Snow
Fourth Vice Chair

Board of Directors: Marine Credit Union Foundation



David Amborn
Treasurer



Elle Henne
Director



Sam Kaufman
Director



Ken King
Director



Jodi Lemmer
Director



Michael Linse
Chair



Nancy McHugh
Secretary



Liz Popp
Director

Responsibilities | We expect our Board members to:

1. Embody leadership competencies and govern through broad policies and objectives that align with the mission and vision of the organization as established by the Board.
2. Evaluate the performance of the CEO, directors and committee members, and hold them accountable to organizational goals.
3. Have strategic alliances and maintain appropriate government, professional and organizational relationships.
4. Possess knowledge of and act in compliance with the laws of the State of Wisconsin, National Credit Union Association and other regulatory bodies.
5. Demonstrate literacy in finance, accounting, audit, enterprise risk and compliance. Have the ability to analyze financial statements, and contribute to budget, risk, and strategic discussions. Understand the fiduciary responsibilities of a Board member.

Benefits

The size and complexity of this organization continues to grow and requires a knowledgeable, skilled Board of Directors. As a result, Marine Credit Union compensates its officers of the Board of Directors. Annual compensation for 2021 is: Board Chair, \$24,000; Vice Chairs, Secretary and Treasurer, \$18,000.



Marine Credit Union Committed Over \$5 Million to COVID-19 Relief

Marine allocated \$50,000 per month for employees to provide local COVID-19 relief, \$5+ million in consumer relief, continued employment and pay for all employees.

In response to the COVID-19 Public Health Emergency and compelled by its mission “to advance the lives of people from a place of financial need to a life of ownership and giving back in our communities,” Marine Credit Union announced the commitment of over \$5 million to support local communities.

Marine’s \$5 million COVID-19 Community Commitment delivered relief through the following programs:

- ❄️ **Employment & Pay Commitment:** All 450+ Marine employees continued to be employed and receive their full pay and benefits, regardless of ability to work normal hours during this crisis.
- ❄️ **Pandemic Relief Program:** Existing Marine members who were impacted could have been eligible to defer loan payments.
- ❄️ **Emergency Relief Loan Program:** Existing Marine members and employees who were impacted could have been eligible to receive relief loans with six months of no payments and interest. Marine was ready to make up to \$5 million of these loans available.
- ❄️ **Compassion Task Force:** A team of dozens of employees forged connections with members in need (e.g., the elderly, people celebrating birthdays) through outbound Compassion Calls.
- ❄️ **Community Support Dollars:** \$50,000 total per month was given to front-line teams serving members in our branches and offices for local use to support area businesses and non-profit organizations impacted by COVID-19.



In May, team members in Des Moines raised \$375 to buy groceries for a local food bank.



In June, team members in Fond du Lac delivered Subway to the Consultants Lab workers at a local hospital. Their team had been working overtime for three months, and this was our way of saying thank you.



Our team delivered pizzas and dessert to the West Des Moines Police Department for all their hard work.

“Our employees are passionate about supporting small businesses in each of the communities we serve. Whether it’s restocking food pantries, ordering from a local sandwich or coffee shop, or donating to a charity who had to cancel their fundraiser, our employees knew who needed the most help.”

Shawn L. Hanson
CEO

“We were committed to showing compassion to our employees, members and communities during this uncertain time,” said CEO Shawn Hanson. “Our mission is to advance the lives of people from a place of financial need to a life of ownership and giving back in our communities. Our mission compels us to respond to this crisis with courage. We wanted to help people remain on their feet and have money to spend in our communities.”

“We were able to step up in these ways because of our financial strength, our committed team and the trust of our members. Thank you for trusting us to do the right thing. Thank you for being part of this journey with us. We emerged from this stronger, more appreciative, more understanding.”

“Our employees are passionate about supporting small businesses in each of the communities we serve,” Hanson continued. “Whether it’s restocking food pantries, ordering from a local sandwich or coffee shop, or donating to a charity who had to cancel their fundraiser, our employees knew who needed the most help.”



Our Stanley team delivered Pizza from The Stanley Bowl and Bar to Trinity Vineyard Church to thank the volunteers who made a difference as the effects of the COVID-19 pandemic hit our communities.





Laura Mueller

Marine's Director of Project Management, Laura Mueller, has built a career out of making things happen. Making projects work in ways that enhance Marine's mission, and the lives of its members, is one of her favorite parts of her job.

"I started as a project coordinator in 2012, and saw so much opportunity for growth at Marine. Marine provides opportunities to take initiative and build a strong career. Marine's career growth support over the years has involved obtaining my Project Management Professional (PMP) certification, establishing and growing the project management and business analysis functions and learning all facets of the business. All of this has grown me professionally," explains Laura. "But at the heart of each new project is Marine's mission and its commitment to its members."

Helping the Marine organization make a shift from a traditional credit union model to a more flexible, responsive digital model is a key component of the Project Management Office's function, particularly as the COVID-19 pandemic has pushed people online.

"Marine has always been a dynamic, growing organization; but COVID pushed us a bit to quicken on our digital strategy execution. It's exciting to be part of a courageous organization. Doing things that other community credit unions aren't quite doing. That boldness is exciting for us on the Project Management Office team. We're at the heart of the company's strategy and implementing digital projects that turn corporate dreams into reality. We collaborate tightly across the business units to give Marine members and employees what they need," says Laura.

Marine's drive to anticipate and meet the needs of its members has guided Laura's decision to grow and change with Marine.

"Our mission of advancing lives and reaching those who need help appeals to me," Laura states. "The change our team makes with technology and business processes fuels my purpose by serving our mission. And I get to do it alongside an amazing team."



Chelsi Quinn

Being creative at work looks different depending on the jobs people do. For Senior Central Mortgage Loan Representative Chelsi Quinn, the challenges of trying to process loans during a busy summer loan period became even more difficult as her office moved to a remote work situation and her mortgage recipients were locked down due to city, state, work or medical restrictions.

"It was really good that Marine was proactive in getting the mortgage staff situated and organized in work-from-home offices early in the spring," explains Chelsi. "It gave me a chance to get better at virtual meetings and move from a paper-oriented mindset to a paperless, virtual one."

Being settled in her newly remote role and having the tools she needed to address mortgage paperwork and mortgage recipient education virtually was advantageous not only for Chelsi, but for the Marine members she worked with. A favorable market for mortgage refinancing, as well as a hot real estate market, meant Chelsi worked through a lot of complex transactions remotely, closing nine new home mortgages and multiple refinances over the summer.

"I worked with members to understand how their financial situations could change with a refinance or how a new home could benefit their financial stability," says Chelsi. "A home is a huge asset and a mortgage is a big transaction, so when I can put a family in a home when they thought they'd be renters forever—in the middle of a remote-only situation—that's really impactful."

The pandemic has only served to underscore Chelsi's belief in Marine's push to enhance the member experience, particularly across digital platforms.

"We've had to be better listeners and to ask better questions," explains Chelsi. "We've held true to the idea that giving back to our communities creates not only opportunities for our members, but opportunities to grow Marine as a financial institution. Asking better questions and serving members more flexibly has led to better member relationships and additional member referrals. It's a trickle effect that continues to grow, pushing us to be more creative and to focus on our members and the ways we can help them best."



Travis Polodna

Marine knows how to help people grow—new homes, vehicles suitable for growing families, more diverse financial tools help Marine members prosper along their journeys to financial ownership and security. But Marine also invests significantly in developing people, helping employees chart paths to career success.

This investment in career development, training and advancement means Marine employees serve Marine members over years and decades. That depth of experience and knowledge – not only of financial tools and products, but of communities and even individual members themselves—makes Marine employees a valuable human resource for members.

Travis Polodna, Associate Vice President of Mortgage Lending, not only sees this as a people leader within the Marine organization but has experienced it himself. Travis began his career at Marine in the Prairie du Chien branch, moving to Fond du Lac, and eventually back to Prairie du Chien as he's advanced through Marine's leadership ranks.

"I always knew I wanted to work in management, leading and developing people," says Travis. "Marine allowed me the flexibility to not only grow in my financial services knowledge through roles in commercial lending and mortgage lending, but also to grow my leadership and management skillset. I completed leadership courses and competed in sales competitions with Marine's support. I've come full circle, moving back to Prairie du Chien for my current role; but industry and practical education have been a constant throughout my Marine career."

Travis notes Marine's commitment to growing and developing internal talent is an asset to him as a manager and to the members and communities Marine serves.

"It's an advantage to me as a manager, and for the employees I lead, to have opportunities to work in and have exposure to different areas and departments within Marine. That way, I know what my employees have experienced in their roles, while they know so much about how Marine as an organization can help our members," explains Travis.

The opportunity to support Marine's mission while simultaneously promoting and developing employees is clear to Travis.

"When our employees are well-rounded, with good knowledge and diverse experience within the organization; when they're able to focus on the Marine idea of 'Owning Your Mile' and serving their communities; when they're able to quickly give our members enhanced visibility to their financial journeys—that's when we're at our best, and that's where Marine succeeds," says Travis.



Tara Kieler

Growth at Marine Credit Union has included a number of mergers and acquisitions of other financial institutions over the years. Despite the complexity of those growth transactions, one thing has remained a constant priority for Marine: the idea that bringing new team members into the culture of Marine is just as important as changing the sign on the door to the branch office.

Tara Kieler, Regional Service Manager, is a perfect example of the impact of that thinking. She's been through two mergers to get to Marine—the first when Anchor Bank became Old National Bank, and the second when Old National Bank was acquired by Marine. When she worked at Old National Bank, Tara was in a career development fast track program, which exposed her to leadership development and diverse parts of the organization to help her increase her overall knowledge. Tara was happy to continue that level of professional and career development when she joined Marine.

"We provide the ultimate one-stop-shop customer experience for our members because we're better able to help them in all areas, not just our specialty area," explains Tara. "By having really good knowledge across our business, we can devote more of our time and focus to our members."

Tara has watched the commitment to customer experience and "one-stop-shop" satisfaction grow as Marine has pushed more into digital financial services.

"With meeting members' needs when opening accounts or running transactions, the digitization of systems means we get more time to educate and counsel our members and spend less time dealing with the administration and operations," explains Tara. "That's huge, and it's led to a lot of positive experiences for customers, particularly during the challenges of the pandemic."

In an environment where personal connections were challenging, Tara saw her Marine colleagues step up to make the most of each customer interaction.

"Watching the teamwork that happened during the pandemic was amazing. Our Marine team was phenomenal. We worked closely across functions to make things happen for our members," says Tara. "Not only did we meet the needs of our members, we were really able to deepen their Marine member experience, which was fantastic to see in the middle of so much disconnection."



The Meaning Behind Our Mission

In 2020, Marine Credit Union granted more than 23,500 members access to funds through our loan and deposit products. We helped over 34,500 members increase their credit scores and more than 26,000 members increase their account balances. Each and every one of our team members plays a part in advancing the lives of our members. The stories on these pages are examples of what we do every single day.



Daryl Taylor
Central Mortgage Loan
Representative

Ann

Despite the struggles and the bumps in the road, Ann Fuelle has never forgotten to have a little faith. And when everything seemed like it was out to get the best of her and her family, Ann's faith stood firm.

"Our business was running into some challenges, and my husband and I were trying to purchase a house and plan a construction addition that would allow my autistic adult brother, Brian, to live with us full time. He had been living in a small apartment, but needed daily check-ins. He doesn't always answer his phone due to his autism, so I was driving across town to check on him pretty frequently," says Ann. "We had tried to work with other lenders, including our local community bank, to arrange the financing, but couldn't get anyone to work with us."

Then, out of the blue, came a serendipitous phone call from Daryl at Marine.

"Daryl called us after we had talked to one of the offices about our situation. I usually don't answer phone calls from unknown numbers, but I'm glad I did in this case! We hit it off right away – Daryl has trained and placed dogs for servicing individuals with autism and his fiance works with people on the

autism spectrum. He realized how important our house purchase and project was to my brother's safety and security and our peace of mind," explains Ann.

Daryl worked with the Fuelle's to complete their house purchase and the addition for Brian, but also to get additional small personal and auto loans for a UTV and a car. The repayments on these smaller loans are helping to build the Fuelle's credit score, positioning them for a mortgage refinancing that will consolidate their balances and significantly lower their interest rate.

"All we needed was for someone to listen, understand our situation, and look at the people involved rather than the numbers on a report," says Ann. "We had been running up against walls and then in came Daryl, ready to help; and everything turned around. It was amazing how easy and comfortable the transaction was and how the Marine team stepped in to find a solution. You've got some good people at Marine. They had faith in us and look at where we are now!"



Amy

It's amazing how far your journey can take you if you just keep putting one foot in front of the other. Just ask Marine member Amy.

"I was an 'accidental' Marine member, coming to Marine through some of the mergers and acquisitions over the past couple of years. When the names changed from Anchor Bank to Old National and finally to Marine, I stayed because of the relationships I had with my local branch employees. Little did I know how really important that decision would be to me today and how important the Marine staff would become to me as a resource."

A disciplined cash budgeter, Amy hadn't had a car payment or credit card since 2000. She had sailed along until an unexpected medical challenge depleted the savings she'd been stashing away for a home down payment and left her with bills to pay. A long-time renter, Amy had been hoping to purchase the home she'd lived in since 1999. After the medical setback, she wondered if homeownership was still in the cards for her.

"It was a tough situation. I had a lot of things I needed to pay, but I also really wanted the security of owning my home," recalls Amy. "Trying to do it all wasn't working."

Amy connected with the friendly faces she knew at Marine and explained her situation. The Marine staff helped her formulate a strategy and a timeline for accomplishing her goals, starting with a checking account.

"About two years ago, I started using a 'credit-building' checking account at Marine. Maintaining a balance in the account and using it to responsibly pay back small personal loans helped establish and build my credit history, making me eligible for homeownership programs," says Amy.

Amy's credit score soared over 100 points, giving her more flexible mortgage options, and a clearer path to the financial future she envisioned.

"It's been step by step, but the assistance from Marine has been so important in making this happen. I want to own my home for personal financial security reasons, but it's just one piece of what have planned financially. With the strategy I have now, I'll be able to aggressively build equity in my home, refinance, and then use that equity to invest in other real estate purchases," explains Amy. "Getting my home mortgage is only the beginning."

Customer Success Investments

Accelerating Our Future Vision on Heels of Growth

In 2020, Marine focused on providing the tools our members needed to stay safe at home during the world wide pandemic. This required us to accelerate plans for digital advancements that our members can access from anywhere. Helping members learn this new technology during a time when many felt stuck at home has been an educational experience. Allowing this flexibility for our members has forced us all to grow and lead us toward the future of digital banking.



Get Credit

In 2019 Marine launched Get Credit, a program which provides a safe and simple way for members to build credit and save money without the hassle of a down payment, unnecessary fees or additional debt.



Smart ATMs

Marine installed Smart ATMs at all branches, providing members with the ability to deposit cash or checks, make loan payments and even change their debit card PIN 24/7, 365 days a year.



Online Loan Applications

Marine sent pre-approved loan offers to members affected by the COVID Health Emergency and related work stoppages through a fully-digital loan system.



Member Journeys

This year Marine implemented a new marketing automation system, giving us the power to provide more comprehensive, meaningful and personalized communications to our members.



Digital CD Special

Marine offered CD specials with higher interest rates for existing Marine members. Members were grateful to have a safe option for their savings during uncertain times resulting from the pandemic.





Website

In 2020, Marine refreshed the main website at MarineCU.com. Members and prospective members can now experience the website with new content, financial tools and interactive chat.

Online Chat

Marine members, and prospective members, are now able to quickly engage with our Contact Center Representatives via online chat. This new chat feature is available at MarineCU.com.

Office Consolidation

With the shift in providing more digital services to our members, Marine also shifted the role of the branches away from account transactions to growing local relationships. Marine permanently closed 18 branch offices and continues to serve these communities through digital products and central servicing teams.

Online Account Opening

Marine is proud to offer applicants the opportunity to open a spending or savings account in just three minutes using our digital account opening application which is available 24/7/365.

MCU Foundation

Since the Marine Credit Union (MCU) Foundation was formed in 2014, over \$1 million has been given to over 1,000 worthy causes in the communities served by Marine, across Wisconsin, Iowa and southeast Minnesota. The MCU Foundation supports a variety of local community organizations from educational programs and efforts to end homelessness in its communities, to youth sports teams and medical research.

“At the MCU Foundation, it means everything to us to keep our communities thriving. We’re so proud to have invested over \$1 million toward our mission,” said Quinn Devlin, Associate Executive Director of the MCU Foundation. “Giving back, through both monetary support and volunteer efforts, in the areas where we live, work and play is a top priority for Marine and the MCU Foundation.”

Meet Our Team



Quinn Devlin

Associate Executive Director

Quinn Devlin joined the Marine Credit Union Foundation in February 2020 as the Associate Executive Director. Quinn’s role is to lead the Foundation, working with employees, members and the Foundation Board of Directors to make a positive impact in our communities. She previously worked for Western Technical College as a Resource Development Specialist, where she supported staff with compliance, strategic planning, innovation implementation and change management. She also worked as an adjunct instructor in the Human Service program at Western and has previously served with groups including the Prevention Network Coalition, Alcohol Policy Project and the Coulee Food System Coalition. Quinn holds an undergraduate degree in Community Health Education and a Master of Public Health, both from the University of Wisconsin–La Crosse.



Majel Hein

Financial Counselor, Finding HOME Program Manager

Majel Hein, a financial counselor since 2013, is currently the financial counselor for the Marine Credit Union Foundation where she designed and now manages their Finding HOME program. In 2016, Majel won the National Foundation of Credit Counseling Counselor of the Year award. She is a certified credit union financial counselor, financial education instructor, and rural development direct-loan packager with certifications in credit, HUD housing counseling, financial education, and student loans. She graduated from Western Technical College with a finance degree and also holds a certificate of Non-Profit Leadership from Viterbo University. Majel has helped countless individuals and families find their path to financial stability.

Finding HOME

In May 2018, the MCU Foundation launched its Finding HOME program in La Crosse, a free financial literacy program for credit-challenged borrowers that grants home loans to participants upon successful completion of program. “Two years into Finding HOME, the program has graduated 11 families, and provided a path to financial stability and homeownership to over 200 individuals,” said Devlin. “Watching participants develop a sense of hope as they begin to master their finances has been the most rewarding part. It’s changed their whole lives in a way that even I wasn’t expecting.”



Taking Back Control – Ms. Smith's Journey

There is a saying that goes, “She’s been through hell and came out an angel. You didn’t break her, darling. You don’t own that kind of power.”

These words describe a Finding HOME graduate. A single mother of six who fled a domestic violence situation to find herself, safety and stability for her children. (To maintain the privacy of this graduate she will be referred to as Ms. Smith.)

For years Smith was not in control of anything in her life, let alone her finances. When she first entered Finding HOME in February 2019, she was spending money whenever she could. “I didn’t really realize I was doing it,” said Smith, “I just knew when I wanted something and if I had the money to buy it, I bought it! I didn’t really think about it.”

Finding HOME’s financial literacy counselor, Majel Hein, helped Smith to navigate her emotions around spending and guided her to understand that she was spending to regain a feeling of control she never had. It was an unhealthy coping mechanism.

“Spending money, like any self-medicating substance, makes us feel better temporarily,” says Hein, “‘Retail therapy,’ as they call it, is real and many people spend money (on things they are tempted by, but cannot afford) to control their emotions. They regret their spending decisions and get stuck in a cycle of debt and depression.”

Smith worked on different tools and tricks to help her control her spending. She tried calendars, spreadsheets, tracking her spending in a notebook, but she settled on the simplest of them all: cash!

“If I pull out cash when I get paid and use that as my only method of payment, I am able to control what I spend so much better,” said Smith. “I can tell the months I forget because I go over budget and usually have to pull a bit from my savings account. It is turning into a habit to just take the money out though so I am doing that less and less! It feels amazing!”

During her 14 months in the program, Smith has raised her credit score 89 points, has increased her cashflow by over \$300 every month and has been able to save over \$7,000. She has also seen a change in herself, how she related to money and the confidence she feels to be in control of it versus it controlling her.

At the end of April 2020, Smith and her six children moved into their first home. A place where they know they are safe and secure.

When asked about how she feels about being a homeowner, Smith said, “Well I am not sure what to call all of my emotions at this point! We are overjoyed. The night my realtor told me my offer was accepted the first person I called was my sister and I cried so much (happy tears). This is such an amazing feeling. Becoming a homeowner begins a new chapter for us! It is a feeling like no other. Childbirth was the greatest feeling and experience in life, but this is right up there with that feeling! This is ours! Through the blood, sweat and tears we made it with determination and discipline. Though it was far from easy, all the struggles I had to overcome were all so worth it! I will probably cry like a baby when I finally have the keys to our new home in my hands! This is by far so amazing for my children and myself! I couldn’t have done it without Majel and all the other amazing staff at Marine Credit Union Foundation!”



FINDING HOME
HOPE • OPPORTUNITY • MASTERY • EMPOWERMENT



Counseled 211 people



90 people qualified for the program



11 families graduated



48 people directed to more appropriate mortgage lending products or programs



66% of applicants connected to Finding HOME or another mortgage lending product/program

\$92,805 debt paid down

\$107,555 saved

Credit Scores increased
86.3 points per person

Scholarships

Marine Credit Union Awards 10 Scholarships to Local Students

Marine Credit Union continued its mission of advancing lives by awarding 10 scholarships to high school seniors and current college students.

“This scholarship program speaks to our mission of advancing lives of people from a place of financial need to a life of ownership and giving back in our communities,” said scholarship program coordinator Robert Richardson. “Scholarships can help collegians get started, or continue, on the best-fit education path as they work toward their career goals. Through these awards, Marine and the MCU Foundation provide valuable support for our member students and their families.”

The Marine Credit Union scholarship program began more than 20 years ago, with its reach and impact growing as Marine has grown. Over \$700,000 in scholarships have been awarded to students in the Marine footprint.

Scholarship recipients include incoming and current post-secondary students enrolled at various colleges, universities and technical colleges.

Applications are reviewed by an independent committee comprised of non-staff members representing a variety of Marine’s districts.

In addition to the 10 member scholarships, the Marine Credit Union Foundation also partners with the La Crosse Tribune newspaper to sponsor an additional \$1000 scholarship through the Tribune’s Extra Effort A+ Achiever scholarship program, bringing the organization’s spring scholarship award total to \$11,000.

2020 MCU scholarship recipients include:

Member Scholarships

\$1000; Given to an MCU member or family member



Lynsey Anderson
Holmen, WI
University of Wisconsin–Eau Claire



Autumn Bell
Dodgeville, WI
University of Wisconsin–Madison



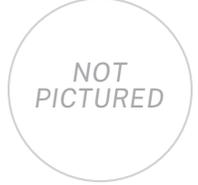
Nina Kudimova
La Crosse, WI
Luther College



Alaryana Lipke-Randle
La Crosse, WI
Viterbo University



Calla Loehr
Fond du Lac, WI
Adrian College



Mackenzie Petit
Prairie du Chien, WI
University of Wisconsin–La Crosse



Theadora Ranis
Onalaska, WI
University of Wisconsin–La Crosse



Ryan Thein
Prairie du Chien, WI
University of Wisconsin–Madison

Employee Scholarship

\$1000; Given to a current MCU employee or family member



Tori Kovacevich
Onalaska, WI
Franklin University

Ranger Scholarship

\$1000; Given to a current La Crosse Logan High School attendee and member of the in-school branch of Ranger (Marine) Credit Union



Eleanor Solberg
La Crosse, WI
University of Wisconsin–Eau Claire



Treasurer's Report

Marine Credit Union had another successful year in 2020. Loan growth of \$12,805,770 contributed to total asset growth of \$109,342,141.

The Wisconsin Department of Financial Institutions and the National Credit Union Administration receive detailed financial information from Marine Credit Union on a quarterly basis. The net worth to asset ratio is used to measure strength and stability. Your credit union's net worth to asset ratio is 9.59% for the year ended December 31, 2020 and is deemed "Well Capitalized."

The enclosed financial statements are summarized from the complete financial statements of Marine Credit Union.

Robert Carney
Treasurer

Audit Report

The Audit Committee acts independently of management and the Board of Directors and is responsible for maintaining oversight of the credit union's management and financial records.

To meet these responsibilities, the committee contracted with Moss Adams to conduct an independent audit of the consolidated financial statements of Marine Credit Union for the year ended December 31, 2020. Moss Adams is in the process of auditing the credit union's 2020 results.

Additional audits, reviews and risk assessments are conducted to monitor operational practices and procedures for effectiveness in safeguarding members' assets. Any material findings are reported to the Board of Directors.

It is the opinion of this committee that the financial condition of Marine Credit Union remains strong, and is being operated in a safe and sound manner.

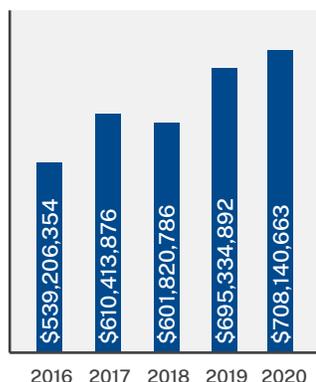
Robert Carney
Treasurer
Audit Committee Chair

Balance Sheet

Assets	2016	2017	2018	2019	2020
Cash	\$85,459,242	\$74,765,024	\$46,369,283	\$67,949,956	\$76,332,101
Investments	22,110,378	17,603,554	33,482,731	20,477,527	13,335,568
Consumer Loans	220,461,662	245,472,486	248,506,454	272,267,176	254,845,290
Real Estate Loans	318,744,692	364,941,390	353,314,332	423,067,716	453,295,373
Total Loans	\$539,206,354	\$610,413,876	\$601,820,786	\$695,334,892	\$708,140,663
Allowance for Loan Loss	(6,301,977)	(9,729,605)	(10,532,496)	(9,897,901)	(12,415,060)
Other Assets	49,311,897	60,823,174	80,224,733	81,453,786	79,267,129
Total Assets	\$689,785,894	\$753,876,023	\$751,365,037	\$855,318,260	\$964,660,401
Liability and Equity					
Savings	\$430,658,627	\$495,995,668	\$654,925,265	\$630,372,490	\$728,803,648
Borrowings	176,964,000	170,764,000	0	124,030,204	133,661,447
Other Liabilities	6,539,526	7,464,618	11,514,358	9,205,942	9,577,220
Member Equity	75,623,741	79,651,738	84,925,414	91,709,624	92,618,086
Total Liability and Equity	\$689,785,894	\$753,876,023	\$751,365,037	\$855,318,260	\$964,660,401

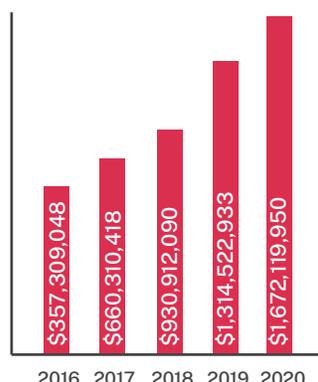
Member Loans

(in millions)



Cumulative Loans Granted

(in millions)

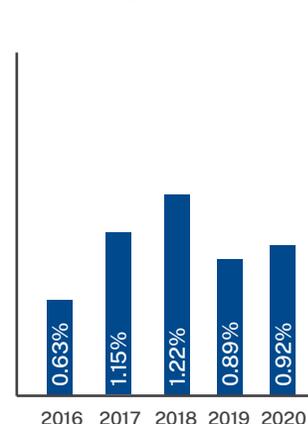


Net Charge Off

(in millions)



Net Charge Off %



Income Statement

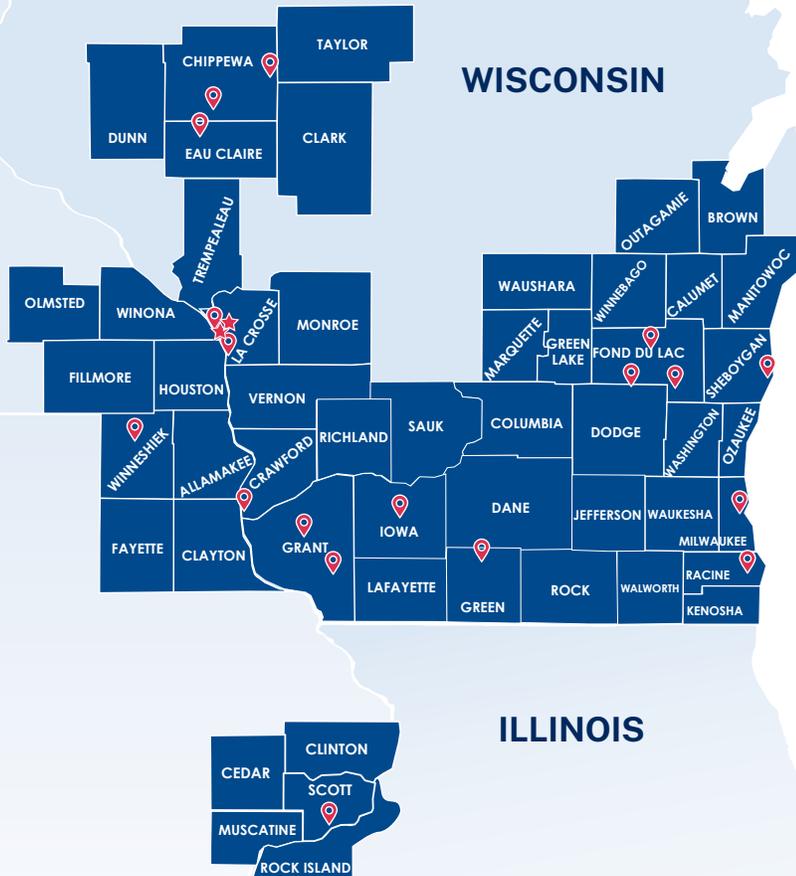
	2016	2017	2018	2019	2020
Loan Income	\$38,051,211	\$44,769,277	\$46,000,032	\$47,677,056	\$52,444,354
Investment Income	768,984	755,261	1,478,697	1,587,126	971,652
Total Interest Income	\$38,820,195	\$45,524,537	\$47,478,729	\$49,264,182	\$53,416,006
Dividend Expense	\$1,378,875	\$1,966,996	\$2,359,797	\$3,042,754	\$3,412,815
Interest Paid on Borrowed Money	554,076	1,346,926	2,153,953	689,223	1,504,560
Net Interest Margin	\$36,887,244	\$42,210,615	\$42,964,979	\$45,532,204	\$48,498,631
Provision for Loan Loss	3,627,230	10,010,371	8,204,074	4,685,790	8,926,327
Net Interest Margin after PLL	\$33,260,014	\$32,200,245	\$34,760,905	\$40,846,414	\$39,572,304
Operating Expense	\$40,726,061	\$42,482,464	\$47,556,727	\$52,624,210	\$56,210,363
Fee & Other Operating Income	16,649,708	16,115,138	16,495,266	17,459,172	16,921,109
Non Operating Income	0	0	0	761,936	1,669,648
Gain (Loss) on Sale of Assets	459,335	(111,969)	(196,531)	158,583	(945,591)
NCUA Stabilization Expense	0	0	0	0	0
Net Income	\$9,642,996	\$5,720,950	\$3,502,913	\$6,601,895	\$1,007,107

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