



ANNUAL MEETING



# 69th Annual Meeting

April 25, 2023

The meeting starts at 9 am

## Agenda

### 1. Roll Call – CEO Robin Romano

### 2. Introductions – CEO Robin Romano

### 3. Approval of the 2022 Annual Meeting Minutes – Chair Mary Harden

### 4. Elections for 2023 – Chair Mary Harden and Nominating Chairperson John Werbach

- i. This is a non-contested election.
- ii. Three people are running for three open positions with three-year terms. MariSol did not receive any other applications for the board elections. Nominating Committee members were John Werbach, Laura Weygandt, and Rusty Hampton. The Nominating Committee selected the following candidates:
  - Mary Harden
  - Richard Lucero
  - Irma Guzman
- iii. If there are no nominations from a petition, there is a vote of acclamation by the membership present at the meeting, called by the Nominating Chairperson.

### 5. Reports

- Chair Report – Chair Mary Harden
- CEO Report – CEO Romano
- Treasurer Report – Treasurer Laura Weygandt
- Supervisory Committee Report – Chair Robert Wheeler

### 6. New Business – Chair Mary Harden

### 7. Adjournment



# Board Chair and CEO Report

Dear Members,

As we celebrate 69 years of existence, our Board of Directors reminds our wonderful membership that MariSol Federal Credit Union is safe and sound! All credit unions are not-for-profit financial cooperatives. We are not a bank. We offer similar services but are not structured like a bank. Our members are our owners, not stockholders. Credit unions do not have stock or can invest in stocks sold on Wall Street. Our Board consists of dedicated volunteers whose pay is a monthly lunch. And you, our members, elect them. This annual report is a part of that election process.

MariSol is here to help our members navigate an economy of record-breaking inflation and economic challenges by offering the right financial solutions.

As we look ahead, there are economic storm clouds. MariSol is well-prepared to face them. Our members' financial well-being will always be our focus. MariSol succeeds when our membership succeeds.

## **Our Board and Staff look forward to:**

- Moving out of the basement of the ValleyWise Hospital into a new office with windows this fall! In the coming months, look out for more details.
- Making more solar panel loans under our Smart E program! The same low-rates can also be used for energy-efficient appliances, insulation, a new air conditioner, and more!
- Re-introducing the Pay Yourself Mortgage for low- and moderate-income homebuyers. This loan lets you bypass paying mortgage insurance usually required with a conventional loan. With the Pay Yourself Mortgage, premiums go back into your pocket after ten years.
- Engaging and helping our community through events and fundraising for ValleyWise Foundation, Maricopa County, Capitol Elementary, American Legion Post 41, Human Services Campus, Melrose Festival, Rainbow Festival, Local First Arizona Foundation, and Fuerza Locale.

Next year, MariSol celebrates 70 years! Our credit union started in a phone booth under the Maricopa County court stairs. Our office got bigger, but our mission to give our member access to affordable and equitable financial solutions has not.

It is an honor to serve this membership.

Mary Harden, Chair

Robin Romano, CEO



# Supervisory Committee

The Supervisory Committee is comprised of volunteer members whom the Board of Directors appoints. Our committee members are Kay Bodude, Maria Piña, Angela Booker, and Laura Weygandt.

The primary purpose of the Supervisory Committee is to ensure that MariSol operations are audited for financial soundness and compliance with the policy. We report on our activities and findings to the Board of Directors. A third-party auditor, A.A. Audit, assists MariSol and the Committee with weekly internal audit tasks. MariSol's internal Operations Specialist performs regular audit tasks. The Committee reviews their audit work. This past year, the Supervisory Committee completed a variety of audit and review activities such as:

- Cash counts of teller drawers and the vault;
- A random selection of loans, share accounts, and investments;
- Procedures for new accounts, collections, ATMs, records retention, data processing controls, disaster recovery, and other operational areas;
- Delinquencies, loan losses, and charge-offs; and
- The hiring of an outside CPA firm for the annual financial audit.

Last October, Doreen Mayhew, CPA, performed MariSol's financial audit as of August 31, 2022. This outside audit found the credit union's financial condition sound, with no material findings or adjustments. The CPAs complimented MariSol staff for keeping excellent records!

Being a member of the Supervisory Committee is an excellent way to learn how MariSol operates and fulfills a service requirement to run for the Board. If you are interested in serving, please get in touch with the Committee via e-mail at [administration@marisolcu.org](mailto:administration@marisolcu.org).

Robert Wheeler, Supervisory Committee Chair

## Board of Directors

### Chair

Mary Harden

### Vice Chair

John Werbach

### Treasurer

Laura Weygandt

### Secretary

Ken Stahl

### Director

Lisa Bernhardt

### Director

Jessica Bueno

### Director

Irma Guzman

### Director

Richard Lucero

### Director

Francisca Montoya

## Supervisory Committee

### Chair

Robert Wheeler  
Kay Bodude  
Maria Piña  
Laura Weygandt  
Angela Booker

## Advisory Committee

### Board Liaison

Jessica Bueno  
Irma Guzman  
Alicia Nunez  
Betty Moore  
Aimee Esposito



# Treasurer Report

2022 was a year of changes in the local and national economies. Inflation hit levels not seen in 40 years which caused the Federal Reserve to increase the Fed Funds Rate by 425 basis points to the highest rate since 2007. All those factors put a strain on the cost of doing business. One sign of financial stability is the credit union's new worth, which measures cumulative earnings over time. Under the National Credit Union Administration, a credit union's net worth must exceed 7% to be classified as "well capitalized." MariSol's net worth ended at 11.78%, up from 10.93% in 2021. MariSol continues to be in strong financial condition.

The increases in lending and savings in 2021 slowed significantly in 2022. As the cost of everyday life for our members increased, our members started to use their savings. Overall, deposits did drop 1.70% as members paid for increases in rent and food.

MariSol funded over \$3.2 million in PPP loans in 2021. In 2022, 98% of those loans were forgiven under the SBA program. MariSol funded \$10.4 million in new loans. Despite that strong effort, total loans declined by 2.02%.

Members can feel confident that MariSol is a sound financial institution that will continue to meet our members' needs.

Laura Weygandt, Treasurer

Assets	12/31/2021	12/31/2022	Change
Consumer Loans	\$ 14,864,093.77	\$ 15,185,075.55	\$ 320,981.78
Home Lending	\$ 9,610,159.46	\$ 10,672,191.40	\$ 1,062,031.94
SBA PPP	\$ 2,206,316.97	\$ 284,017.65	\$ (1,922,299.32)
Total Loans	\$ 26,680,570.20	\$ 26,141,284.60	\$ (539,285.60)
Fixed Assets	\$ 4,060,356.93	\$ 4,022,731.44	\$ (37,625.49)
Other Assets	\$ 21,917,759.00	\$ 21,905,131.12	\$ (12,627.88)
<b>Total Assets</b>	<b>\$ 52,658,686.13</b>	<b>\$ 52,069,147.16</b>	<b>\$ (589,538.97)</b>
<b>Liabilities</b>			
Savings Accounts	\$ 25,169,162.39	\$ 28,095,993.51	\$ 2,926,831.12
Checking	\$ 11,135,261.22	\$ 9,228,568.90	\$ (1,906,692.32)
Money Market	\$ 4,091,533.23	\$ 4,371,706.62	\$ 280,173.39
Certificates of Deposit	\$ 3,418,036.80	\$ 3,530,374.55	\$ 112,337.75
<b>Total Shares</b>	<b>\$ 46,010,646.44</b>	<b>\$ 45,226,643.58</b>	<b>\$ (784,002.86)</b>
<b>Net Worth (Capital Reserves)</b>	<b>\$ 5,757,005.94</b>	<b>\$ 6,133,145.93</b>	<b>\$ 376,139.99</b>
<b>Income</b>			
Total Interest Income	\$ 1,486,522.72	\$ 1,465,527.00	\$ (20,995.72)
Investment Income	\$ 207,264.15	\$ 298,789.83	\$ 91,525.68
Fee Income	\$ 491,795.68	\$ 435,881.22	\$ (55,914.46)
Other Income	\$ 748,625.75	\$ 773,782.44	\$ 25,156.69
<b>Total Income</b>	<b>\$ 2,934,208.30</b>	<b>\$ 2,973,980.49</b>	<b>\$ 39,772.19</b>
<b>Expenses</b>			<b>\$ -</b>
Operating Expenses	\$ (2,207,177.57)	\$ (2,303,057.21)	\$ (95,879.64)
Loan Losses	\$ (74,827.00)	\$ (268,190.00)	\$ (193,363.00)
Dividends	\$ (24,464.75)	\$ (26,593.29)	\$ (2,128.54)
<b>Net Income</b>	<b>\$ 627,738.98</b>	<b>\$ 376,139.99</b>	<b>\$ (251,598.99)</b>