



Clark County Credit Union



Report to the Seventy First Annual Meeting



70TH ANNUAL MEETING MINUTES

April 15, 2021

The 70th Annual Meeting of Clark County Credit Union was called to order at 5:35 p.m., April 15, 2021 via Microsoft Teams and Telephone Conference by Chairman Eric Jorgenson.

Chairman Jorgenson asked if a quorum was present and was advised by Board Member, that fifteen members constitute a quorum and that a quorum was present.

Chairman Jorgenson introduced all Board members and Audit Committee members present.

Nominating committee member Eric Jorgenson announced that incumbents Alise Haney, Michael Schramm and Ted Olivas were elected to two-year terms on the board by acclamation since they ran unopposed in this year's election.

A motion was made and seconded that the reading of the minutes be waived since they were included in the written Annual Report. Motion carried. A motion was made and seconded to accept the Annual Meeting Minutes from 2020. Motion carried.

A motion was made and seconded to accept the officials' reports as written in the Annual Report. Motion carried.

Chairman Jorgenson expressed his feelings of optimism for the Credit Union's future. CEO and President of Clark County Credit Union, Mr. Kershaw, presented 2020 year in review for the Credit Union and the Credit Union's future.

The meeting was adjourned at 5:50 p.m.

71ST ANNUAL MEETING AGENDA

April 21, 2022

Meeting Convenes at 5:30 pm

- I. Call to Order
- II. Introduction of Board and Committee Members and Honored Guests
- III. Ascertainment Quorum is Present
- IV. Reading and Approval of Previous Meeting Minutes
- V. Report of Directors
- VI. Report of the President
- VII. Report of the Credit Committee
- VIII. Audit Committee Report
- IX. Unfinished Business
- X. Results of the Annual Election
- XI. New Business
 1. Appointment of Officers
 2. Appointment of Nominating Committee
 3. Appointment of Audit Committee
 4. Appointment of Conference Committee
 5. Appointment of Members Auto Brokerage Service Board
 6. Appointment of Asset Liability Committee
- XII. Open Forum



PRESIDENT'S MESSAGE

In the past year, we have seen amazing growth, resiliency and determination from our members and employees as we continue to navigate the pandemic, plus a rapidly changing economy and worldview. To look back at 2021, the credit union set goals to bring new products and services to our members while remaining financially solid and ready to assist members and our community. We see our role as your financial partner, and we need to stay strong despite the ups and downs going around us in the world.

The Credit union accomplished these goals with exceptional growth that greatly impacted our Return on Assets (ROA) and Net Worth. We outperformed our peers in these two categories because we carefully manage operations to maximize the value added to our members. With this strong base, we were able to do some amazing things this year!

To kick off 2021, CCCU celebrated our 70th anniversary by honoring our long-time members, recognizing our members with 70 Days of Summer giveaways, and an increased commitment to community giving and financial literacy programs.

Banzai, our free financial education available to all members, is a wonderful tool that I recommend all members and their families use to teach not only basic financial concepts like how interest works, credit card best practices or how to pay off debt, but it provides digital coaches and calculators to help make budgeting decisions and to save for retirement, or other long-term financial goals.

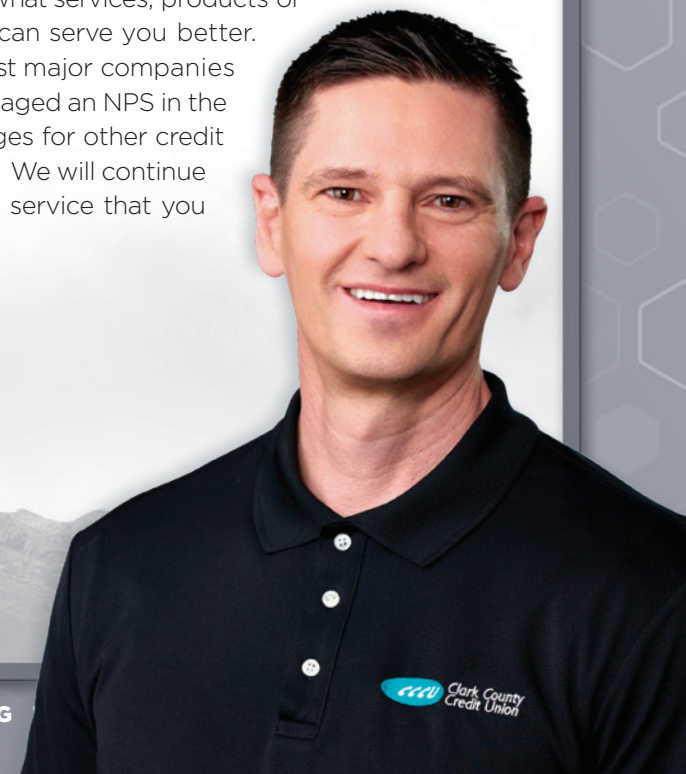
This year also brought new products that our members have been asking for – Zelle payments are now available through CCCU and offer convenient and quick person to person payment options via mobile or online banking. We also added Debit and Credit card rewards, giving our members options for paying with points, saving for travel deals and other shopping rewards. We are one of the few financial institutions to also offer debit rewards, so either way you choose to shop, CCCU Rewards is there to help.

Before I close, I would like to add how much our team values your feedback – each week a survey goes to the members who had a transaction or conversation with an employee of the credit union. We also send out a survey to all members every six months to find out what services, products or experiences you are most interested in, plus to ask how we can serve you better. We are proud of our Net Promoter Score, a metric used by most major companies to track customer satisfaction. We have consistently averaged an NPS in the low 70s. Our survey provider has informed us that the averages for other credit unions in their system is 44, while the average bank NPS is 14. We will continue to work every day to offer the products, rates and member service that you have come to expect from CCCU over the past 70 years.

Sincerely,

Matt Kershaw

Matt Kershaw, President/CEO



MESSAGE FROM THE BOARD CHAIR

For CCCU to declare a \$2.4 million Bonus Dividend during an unprecedented Pandemic is truly representative of the overall strength of the credit union. The efforts and abilities of the employees, management team and the Board combined with a spirit of excellence helped to accomplish such a phenomenal goal.

Everyone, both management and staff, are to be applauded for this achievement. Not only is it noteworthy, but it is also outstanding. To me that says that we have the right people in the right positions.

I also would like to highlight the fact that the Credit Union was \$570 million in assets when management and the Board established a goal to become a billion-dollar Credit Union; we estimated it would take five years. We were able as a team to reach that goal as projected within the five-year period. This feat is nothing short of amazing. We have wonderful members who were good stewards of their money during the pandemic, and we are honored to serve them.

This community has been through a lot over the past two years, and it is so rewarding to see the positive impact the credit union members collectively have in Southern Nevada. It is my distinct pleasure to be able to serve along with such an outstanding Board, management and staff that made it happen over this past year. I look forward to watching how ongoing dedication to our member's financial goals and dreams can impact an entire community in 2022.

Debbie Conway, CCCU Board Chair



Blessed with a Bonus Dividend

I've been banking with CCCU since 2002 and I've been blessed with tremendous Bonus Dividend year after year! Imagine a bank giving back to their customers at the end of the year! Only at CCCU. Another blessing came from CCCU during this terrible year Covid Pandemic. I was blessed by the credit union on their PROMO, Happy Bonus Days...I didn't believe it at first but here is the actual confirmation. It could not have come in a better time than now.

~ Peegee G.



AUDIT/SUPERVISORY COMMITTEE REPORT

As your Audit Committee, we are committed to ensuring our Members that the operations of the Clark County Credit Union remain sound and comply with the state/federal laws and the bylaws of the Credit Union.

BKD CPAs & Advisors conducted the audit of Clark County Credit Union for the calendar year ending December 31, 2021. The firm's audit findings are provided as an Annual Report that is printed separately from this document.

We want to thank the Credit Union's staff and the Board of Directors for their continued efforts throughout 2021.

Steve McLean,
Chairman of the Supervisory Committee

CREDIT COMMITTEE REPORT

For the calendar year reported, loans by collateral type were as follows:

	2021	2020	2019
Auto New	\$ 54,679,262.00	\$ 45,386,297.00	\$ 42,612,273.24
Auto Used	\$ 210,884,764.00	\$ 210,189,151.00	\$ 216,431,848.00
Share Secured	\$ 1,012,087.00	\$ 863,149.00	\$ 635,259.00
Signature	\$ 4,811,710.00	\$ 5,499,771.00	\$ 6,160,707.00
Overdraft	\$ 801,776.00	\$ 809,424.00	\$ 1,068,032.59
Visa	\$ 14,822,441.00	\$ 15,535,484.00	\$ 17,987,366.11
Land	\$ 2,900,262.00	\$ 3,421,039.00	\$ 5,302,769.00
Mortgages	\$ 134,530,109.00	\$ 152,758,263.00	\$ 185,575,723.26
Home Construction	\$ 4,251,658.00	\$ 5,655,781.00	\$ 4,014,120.90
Commercial Loans	\$ 12,415,949.00	\$ 18,947,079.00	\$ 13,902,601.00
Commercial RE	\$ 175,892,497.00	\$ 133,867,922.00	\$ 93,378,774.64
Commercial Participation	\$ 8,715,162.00	\$ 4,554,615.00	\$ 8,954,038.73
Total	\$ 625,717,676.00	\$ 597,487,972.00	\$ 596,023,512.20

Matt Kershaw, President/CEO

Always Find Solutions

The people at this branch are awesome! They are knowledgeable, respectful, very positive and they go the extra yard. If I have any issues, they respond fast and always find a solution. I highly recommend the North Decatur Branch.

I'm very happy!

~ Joey B.

INDEPENDENT AUDITOR’S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION

OPINION

We have audited the consolidated financial statements of Clark County Credit Union and subsidiary (Credit Union), which comprise the consolidated statements of financial condition as of December 31, 2021 and 2020, and the related consolidated statements of income, comprehensive income, changes in members’ equity, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Credit Union, as of December 31, 2021 and 2020, and the results of their operations and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

BASIS FOR OPINION

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the “Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements” section of our report. We are required to be independent of the Credit Union and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

RESPONSIBILITIES OF MANAGEMENT FOR THE CONSOLIDATED FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Credit Union’s ability to continue as a going concern within one year after the date that these consolidated financial statements are available to be issued.

AUDITOR’S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a

high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Credit Union’s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Credit Union’s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

BKD, LLP
Indianapolis, Indiana
March 29, 2022



CLARK COUNTY CREDIT UNION
CONSOLIDATED STATEMENT OF FINANCIAL CONDITION

As of December 31, 2021, 2020 and 2019

ASSETS	2021	2020	2019
Cash and cash equivalents	\$ 280,820,835	\$ 198,911,705	\$ 66,404,701
Investments			
Securities available for sale	\$ 197,395,099	\$ 175,146,630	\$ 149,341,290
Other	1,865,291	1,573,981	1,443,263
Federal Home Loan Bank (FHLB) stock	3,645,000	3,470,500	3,139,400
Loans to members, net of allowance of \$7,814,076 and \$8,985,587 and \$5,621,056	617,903,600	588,502,385	590,402,456
Loans held for sale	1,408,958	2,412,900	9,490,036
Accrued interest receivable	1,852,931	1,867,387	1,978,972
Premises and equipment	14,340,192	15,731,966	13,591,680
Share insurance deposits	11,761,840	9,667,895	8,852,122
Other assets	15,642,909	15,555,277	15,572,416
Total assets	\$ 1,146,636,655	\$ 1,012,840,626	\$ 860,216,336

LIABILITIES AND MEMBER’S EQUITY

Liabilities

Members’ share accounts	\$ 1,006,502,373	\$ 877,852,897	\$ 714,697,860
FHLB advances	0	5,000,000	27,200,000
Accrued expenses and other liabilities	10,546,465	9,247,754	12,074,153
Total liabilities	1,017,048,838	892,100,651	753,972,013

Members’ Equity

Regular reserve	80,271,018	81,667,754	60,145,452
Undivided earnings	45,119,766	29,960,634	43,137,257
Accumulated other comprehensive income	4,197,033	9,111,587	2,961,614
Total members’ equity	129,587,817	120,739,975	106,244,323
Total liabilities and members’ equity	\$ 1,146,636,655	\$ 1,012,840,626	\$ 860,216,336

CLARK COUNTY CREDIT UNION CONSOLIDATED STATEMENT OF INCOME

As of December 31, 2021, 2020 and 2019

	2021	2020	2019
Interest Income			
Loans to members	\$ 28,856,686	\$ 29,631,335	\$ 30,411,423
Investments and interest bearing accounts	4,420,488	4,366,789	4,890,358
Total interest income	33,277,174	33,998,124	35,301,781
Interest Expense			
Members' share accounts	4,284,654	3,725,903	6,122,576
Borrowings	0	211,253	596,351
Total interest expense	4,284,654	3,937,156	6,718,927
Net Interest Income	28,992,520	30,060,968	28,582,854
Provision for Loan Losses	(299,289)	5,274,538	2,153,482
Net Interest Income After Provision for Loan Losses	29,291,809	24,786,430	26,429,372
Noninterest Income			
Service charges and fees	3,485,636	1,796,293	2,181,400
Interchange income	4,877,377	3,963,152	4,212,097
Other income	3,992,835	3,611,541	4,232,159
Gain on sale of loans	2,124,640	2,564,683	636,839
Total noninterest income	14,480,488	11,935,669	11,262,495
Noninterest Expense			
Compensation and benefits	14,620,960	15,028,665	14,947,108
Office operations	13,603,148	11,276,649	10,839,628
Office occupancy	1,199,271	1,290,279	1,327,887
Other expenses	586,522	780,827	879,299
Total Noninterest Expense	30,009,901	28,376,420	27,993,922
Net Income	\$ 13,762,396	\$ 8,345,679	\$ 9,697,945

FINANCIAL EDUCATION: MAKING DREAMS COME TRUE



CCCU mission statement is “helping our members realize their financial goals and dreams.” Often these goals require financing, savings and credit. CCCU helps our members with simple financial tools and tactics so they can strengthen their financial literacy and make their goals and dreams come true. CCCU is partnered with Banzai, a financial literacy one-stop shop for financial education for youth, teens and adults. Banzai content is shared with members, staff, local schools and the general public through emails, in-person presentations, workshops, social media, newsletters and television interviews.

This online resource is embedded seamlessly into the CCCU website with a link on the home page as well as within our Financial Education sub-pages. It provides articles covering a variety of scenarios, calculators to accomplish financial goals, digital coaches to help users make a financial plan and courses for more in-depth learning of financial concepts for all age levels (junior, teen, plus).

According to Alex Kay, Sponsor Relations Representative at Banzai, CCCU is in the top 10 percent of all sponsors using Banzai. He said, “Clark County Credit Union has made an incredible contribution to financial education within their community. CCCU has impacted tens of thousands of individuals within their service area. The credit union has created a wonderful campaign around personal finance which has led them to be in the top 10% of our CU partners regarding user engagement based on membership size. One of their members summed it up best when they were asked what they learned using the financial education resources provided by Clark County CU. They said, “I have been looking for a great way to budget that works and works for my family and me. This has me excited to use what I have learned, in real life.”

Banzai!

CCCU will continue to provide these free tools, calculators and articles to our members who are seeking to improve their financial health in the coming year.

Big Part of My Life

Let me begin by saying “I LOVE MY CREDIT UNION” and I truly mean it! I have been a member for over 34 years and they have been a big part of my life. I was able to purchase a lot of my dreams (so to speak) with their help.

~Cindy S.

LIFTING UP THE LOCAL COMMUNITY IN 2021

While the effects of the pandemic and other economic downturns have continued in the Las Vegas Community, Clark County Credit Union maintained its commitment to giving back to the community throughout 2021. The credit union's philanthropic committee, CCCU Cares, organized programs and opportunities to assist underprivileged people in the local community as well as those who need medical assistance.



Looking back on the year, the credit union also acknowledges each employee and member who contributed to community projects and fundraising events. CCCU partnered with outstanding non-profits and assisted local individuals and families in need, and the members and employees made them a success by giving their time and donations for each event and donation drive.

A look back at CCCU's 2021 community outreach shows a wide range of employee participation and member support:

Donations to Local Non-Profits:

- Children's Miracle Network
- Cure for the Kids
- Injured Fallen Police Officers Fund
- Keller Elementary School, Antonello Elementary School, Fong Elementary School
- Lighthouse Charities
- Nevada Partnership for Homeless Youth
- Nevada Society for the Prevention of Cruelty to Animals
- Olive Crest
- Project 150
- Ronald McDonald House Charities of Greater Nevada
- Shade Tree
- Spread the Word Nevada

Over 180 hours of Employee Volunteer Support to Local Non-Profits:

- Ronald McDonald House Charities
- Spread the Word Nevada
- Project 150
- Serving Our Kids
- Three Square Food Bank
- Candlelighters
- Green Our Planet
- Goodie 2 Shoes
- United Way
- Nevada Partnership for Homeless Youth
- Clean the World

Thank you to all who gave support, donations and time to these programs. CCCU looks forward to serving even more individuals in 2022!



70 YEARS

YEAR IN REVIEW: 2021

Here are some of the key moments of the past year at Clark County Credit Union!

- Recognized the credit unions 70th anniversary with 70 Days of Summer Giveaways and a look back at the history of CCCU.



- Launched new points rewards card program for both debit and credit card holders allowing members to redeem for cash back, travel, merchandise, gift cards, and much more.
- Gave back \$1.2 million as a Bonus Dividend to members.
- Awarded seven \$1,000 Smart Start Scholarships to member students for higher education.
- Celebrated Nurses Week for the eight year in a row.

- Named as one of the top 200 Healthiest Credit Unions for Deposit 'Accounts by Lending Tree.



- Donated to three Local Title 1 schools for their annual school supply drive.
- Introduced a new way to submit a debt protection claim with a portal added to the CCCU website.
- Launched Zelle, a person-to-person payment alternative.
- CEO Matt Kershaw was selected to be the incoming Board Chairman of the Nevada Credit Union League.
- CCCU reached \$1 Billion in Assets as an organization.
- Clark County Credit Union was named Best in Las Vegas for Credit Unions by the Review Journal newspaper.

Hometown Feel

"As a lifelong resident of southern Nevada, born and raised in Las Vegas, I can say, without equivocation, that there isn't another credit union in the valley with the same level of service and "hometown feel" at CCCU. You all make it so easy to bank and right now, that's exactly what people need

~ Alan D.

70 YEARS OF BUILDING TRUST

BOARD OF DIRECTORS

Debbie Conway, Chair
Doug Spring, Vice Chair
Ted Olivas, Secretary-Treasurer
Alise Haney
Eric Jorgenson
Michael Schramm
Ed Zagalo

AUDIT COMMITTEE

Steve McLean, Chair
Marc Joseph
Spencer Luth
Sabrina Mercadante
Curtis Myles

SENIOR MANAGEMENT

Matt Kershaw, President/CEO
Matt Becker, CTO
Josh Haldeman, CLO
Shannon Hiller, CMO
Patricia Ochal, CFO
Dave Upham, COO

