

# PEOPLE HELPING PEOPLE

## 2019 ANNUAL REPORT



alex's lemonade stand ▶ alpha point association for the blind ▶  
american cancer society ▶  
american heart association ▶  
american liver foundation ▶ american red cross ▶  
animal haven ▶ asthma and allergy foundation of america ▶  
athena powerlink ▶ blue springs school of economics ▶  
blue valley education foundation ▶ boys & girls club ▶  
bridging the gap ▶ cancer action ▶  
casa ▶ catholic charities ▶ children's mercy hospital ▶  
children's miracle network ▶ city union mission ▶  
community blood center ▶  
community services league ▶  
cross-lines community outreach ▶  
crossroads hospice ▶ deca ▶  
de la salle educational center ▶ della lamb ▶  
down syndrome guild of greater kansas city ▶  
exchange city ▶ gillis ▶  
habitat for humanity ▶  
habitat restore ▶ harvesters ▶  
heart to heart international ▶  
heartland tree alliance ▶  
hillcrest transitional housing ▶ hope center ▶  
hospice house ▶ humane society ▶  
jared coones pumpkin run/walk ▶  
johnson county christmas bureau ▶  
johnson county developmental supports ▶  
junior achievement ▶ just between friends ▶  
juvenile diabetes research foundation ▶  
kansas food bank ▶  
kc metro coad ▶  
kc south foundation ▶  
kcur ▶ kearney family foundation ▶  
liberty sertoma club ▶ march of dimes ▶ marillac ▶  
midwest hemophilia association ▶ moca ▶  
money matters program ▶  
national center for fathering ▶  
national multiple sclerosis society ▶  
olathe head start ▶  
operation breakthrough ▶ operation liftoff ▶  
patriot's run ▶ planet aid ▶ project s.o.s. ▶  
project warmth ▶ rainbow center ▶  
rebuilding together liberty ▶  
ronald mcdonald house ▶  
rose brooks center ▶  
rosedale youth volunteer club ▶  
safe home ▶ salvation army ▶  
shadow buddies ▶ sids resources ▶  
smiles change lives ▶ special olympics ▶  
sunflower house ▶ susan g. koman for the cure ▶  
synergy services ▶ the children's place ▶ theatre in the park ▶  
tlc for children and families ▶ topeka credit union foundation ▶  
topeka rescue mission ▶ turner syndrome society ▶  
turning point center for hope ▶ union station ▶  
united way of greater kansas city ▶  
uplift organization, inc. ▶ wayside waifs ▶  
women's employment network ▶ youth friends ▶



Dennis E. Pierce  
Chief Executive Officer

R. Bruce Brower  
Chairman of the Board

In a year when many financial institutions virtually shut off consumer lending, shuttered brick and mortar locations, and saw customer satisfaction scores plummet, CommunityAmerica embodied the very mission credit unions were founded on — *people helping people* — and expanded its reach at every turn.

We were able to accomplish this in large part due to our strong financial position. Despite payments to stabilize the National Credit Union Share Insurance Fund (NCUSIF) in support of the corporate credit union network, CommunityAmerica remained well-capitalized. The National Credit Union Administration defines well-capitalized credit unions at seven percent equity-to-asset ratio or higher — and CommunityAmerica ended 2009 at 11 percent. Once again we returned money to our members in the form of an Ownership Participation Dividend, demonstrating that our success is your success.

Our financial strength and stability allowed us to help those in our community more than we originally imagined. CommunityAmerica extended its reach to help members become more financially sound. We continued to get the word out about CommunityAmerica's advantages and the credit union difference through creative marketing and advertising channels, as well as coverage via radio, TV, web, blogs and chats with our financial experts. The Credit Union also leveraged social media, including Facebook, LinkedIn, Twitter, YouTube and Wikipedia to reach new members and expand the influence of our brand.

Our outreach continued with the addition of three new branches in Walmart stores, adding seven-day-a-week convenience for more members throughout the KC Metro area. By year end, those efforts contributed to steady growth in overall membership to more than 186,500 members nationwide.

For the second year in a row we conducted our Financial Makeover contest. Once again, this contest proved that despite a variety of bleak financial situations, with our help, area families could make huge strides to find firm financial footing. Not only did all of the participating families make positive progress and end the year in a better financial position, but the thousands following along at home learned valuable techniques to improve their own financial situations too.

Those family-friendly efforts were also reflected at CommunityAmerica Ballpark, where we proudly host the Kansas City T-Bones baseball team, as well as Major League Soccer's Kansas City Wizards. For the third year in a row CommunityAmerica Ballpark was host to our annual meeting. In 2009 we treated more than 2,500 attendees to an exciting, extra-inning T-Bones baseball game!

While these were all significant points for the Credit Union in 2009, one of the things we were most proud of was our outreach to members who were struggling during the economic downturn. Our unique Endurance Program offered financial relief for more than 650 members who experienced unemployment. Additionally, we assisted another 450 members as they managed their debt through work-out programs so they could remain in their homes.

And it's our employees who are instrumental to ensuring member service is the industry standard. As an Employer of Choice, we worked hard to preserve employee benefits, including merit increases and 401(k) matching while other employers cut these benefits, so our employees could stay focused on unparalleled member service. Our employees in turn extended their reach in our community, and positively impacted more than 60 worthy charitable organizations that needed help more than ever during the economic downturn. Our support efforts went to build houses, feed the hungry, and in line with our mission, taught many the financial basics designed to help them build toward their long-term financial dreams. These efforts led us to receive the Dora Maxwell Award for Social Responsibility from the Missouri Credit Union Association for the 10<sup>th</sup> year in a row.

Our outreach to youth in the community also grew stronger as we helped even more students grades K–12 learn fundamentals to become more financially responsible adults. Our efforts to break the cycle of debt included the sponsorship of a new outlet, the Blue Springs School of Economics, which teaches students K–6 business and financial fundamentals. This latest sponsorship joins a myriad of other ways we work to help kids learn financial basics that will serve them well their entire lives. Among those efforts are Exchange City, Junior Achievement and Dave Ramsey's Financial Foundation program for high school students. CommunityAmerica and its growing list of employee financial experts continue to be called upon often to help teachers in neighboring schools teach the important lessons of financial literacy.

All of this demonstrates the many ways WE START WHERE BANKING STOPS,<sup>™</sup> and our outreach has led to strategic growth in all of the right areas of our business. We hope you'll continue to honor us with your business, and help us touch others who seek the member benefits we work so hard to provide.

Sincerely,

*R. Bruce Brower*

R. Bruce Brower  
Chairman of the Board

*Dennis E. Pierce*

Dennis E. Pierce  
Chief Executive Officer

# CONSOLIDATED STATEMENTS OF FINANCIAL CONDITION

Years ended December 31, 2009 and 2008  
(Amounts in thousands)

## Assets

	2009	2008
Cash – non-interest bearing	\$ 78,052	\$ 12,916
Cash equivalents – interest-bearing	11,425	70,325
Cash and cash equivalents	89,477	83,241
Interest-bearing deposits in corporate credit unions	139,950	350
Corporate credit union memberships shares	2,280	3,633
Trading securities	16,135	14,407
Available-for-sale securities	116,752	49,199
Investments in CUSOs, at cost	1,295	1,255
Loans, net	1,297,861	1,381,653
Accrued interest receivable	5,873	5,646
Premises and equipment, net	43,295	45,972
Federal Home Loan Bank stock, at cost	19,348	17,860
NCUSIF insurance deposit	11,460	10,056
Other assets	29,766	21,540
Total Assets	<b>\$ 1,773,492</b>	<b>\$ 1,634,812</b>

## Liabilities

Members' share and savings accounts	\$ 1,271,621	\$ 1,173,926
Borrowings	283,580	243,368
Accrued expenses	4,904	6,130
Accrued interest payable	1,223	1,289
Other liabilities	17,685	17,322
Total Liabilities	<b>1,579,013</b>	<b>1,442,035</b>

## Members' Equity

Regular reserve	92,922	87,015
Capital maintenance reserve	55,878	55,878
Undivided earnings	45,626	49,960
Accumulated other comprehensive loss	53	(76)
Total Members' Equity	<b>194,479</b>	<b>192,777</b>

## Total Liabilities and Members' Equity

	<b>\$ 1,773,492</b>	<b>\$ 1,634,812</b>
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# CONSOLIDATED STATEMENTS OF INCOME

Years ended December 31, 2009 and 2008  
(Amounts in thousands)

## Interest and Investment Income

Loans	\$ 86,443	\$ 91,042
Net unrealized gain (loss) on trading securities	2,023	(3,364)
Net investments gain	1,429	1,749
Interest-bearing cash equivalents and deposits in corporate credit unions	1,221	4,510
Total Interest Income	<b>91,116</b>	<b>93,937</b>

## Interest Expense

Members' share and savings accounts	22,387	32,817
Borrowings	9,482	10,755
Total Interest Expense	<b>31,869</b>	<b>43,572</b>

## Net Interest Income

Provision for Loan Losses	<b>20,570</b>	<b>12,131</b>
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## Net Interest Income After Loan Loss Provision

## Non-Interest Income

Service fees	21,207	15,969
Credit and debit card transaction fees	7,699	7,181
Gains on the sale of loans	2,903	550
Gain on sale of interest-bearing deposits in corporate credit unions	—	466
Gain (loss) on sale of property and equipment	(797)	2
Other	3,780	3,604
Total Non-Interest Income	<b>34,792</b>	<b>27,772</b>

## Non-Interest Expense

Compensation and benefits	34,350	32,239
Office operations	11,341	11,662
Occupancy	5,471	5,254
Educational and promotional	5,881	6,566
Loan processing	2,574	2,363
Professional fees and outside services	4,291	4,555
Provision for credit losses on off-balance sheet credit exposure	1,171	269
Impairment of corporate credit union investment	1,354	2,112
Other operating expenses	5,463	4,640

Total Non-Interest Expense	<b>71,896</b>	<b>69,660</b>
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## Net Income (Loss)

	<b>\$ 1,573</b>	<b>\$ (3,654)</b>
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# STATEMENT OF CHANGES IN MEMBERS’ EQUITY

Years ended December 31, 2009 and 2008  
(Amounts in thousands)

	COMPREHENSIVE INCOME (LOSS)	STATUTORY RESERVE	CAPITAL MAINTENANCE RESERVE	UNDIVIDED EARNINGS	ACCUMULATED OTHER COMPREHENSIVE INCOME (LOSS)	TOTAL MEMBERS' EQUITY
Balance, December 31, 2007		\$ 80,990	\$ 50,791	\$ 64,726	\$ (236)	\$ 196,271
Net loss	\$ (3,654)	—	—	(3,654)	—	(3,654)
Statutory transfers		6,025	—	(6,025)	—	—
Transfer to maintain 8% capital floor	—	—	5,087	(5,087)	—	—
Other comprehensive income:						
Change in unrealized appreciation on available-for-sale securities	200	—	—	—	200	200
Post retirement benefits adjustment	(40)	—	—	—	(40)	(40)
Total Comprehensive Loss	\$ (3,494)					
Balance, December 31, 2008		\$ 87,015	\$ 55,878	\$ 49,960	\$ (76)	\$ 192,777
Net income	1,573	—	—	1,573	—	1,573
Statutory transfers		5,907	—	(5,907)	—	—
Other comprehensive income:						
Change in unrealized appreciation on available-for-sale securities	86	—	—	—	86	86
Post retirement benefits adjustment	43	—	—	—	43	43
Total Comprehensive Income	\$ 1,702					
Balance, December 31, 2009		\$ 92,922	\$ 55,878	\$ 45,626	\$ 53	\$ 194,479

# TREASURER’S REPORT

In 2009, CommunityAmerica Credit Union had total assets of \$1.773 billion. Assets in 2009 increased by \$138.680 million. Deposits increased by \$97.695 million to a total of \$1.272 billion.

For the year, CommunityAmerica provided 20,196 loans to members totaling \$576 million. Our overall loan portfolio decreased 6.1 percent or \$83.8 million.

The Credit Union’s lending policies and collection practices resulted in a delinquency ratio of 1.43 percent at year-end. In addition, we experienced a charge-off ratio of 1.47 percent.

CommunityAmerica’s net income in 2009 was \$1.573 million. This reduction to reserves resulted in an 10.97 percent capital-to-asset ratio.

# SUPERVISORY REPORT

The Supervisory Committee of the Credit Union has a responsibility to serve the members of CommunityAmerica. Our committee meets bimonthly to perform our duties, which include ensuring the Credit Union operates properly and in accordance with the rules and regulations established by the National Credit Union Administration and the Missouri Division of Credit Unions.

Furthermore, we retain an independent audit firm to form an opinion on the accuracy of our consolidated financial statements. We are pleased to report that our audit examination yielded an unqualified opinion from our auditors, noting our financial statements to be presented fairly and in accordance with accounting principles generally accepted in the United States of America.

## BOARD OF DIRECTORS ▲

CommunityAmerica’s Board of Directors is elected by our members. This volunteer group functions on behalf of our members to oversee the operations of the Credit Union. The Board meets monthly to assure the Credit Union runs smoothly and in accordance with regulations.

- R. Bruce Brower – Chairman
- Phil Gaines – Vice Chairman
- Brad Douglas – Secretary/Treasurer
- Roger Adamson
- Colleen Browne
- David Drollinger
- Mick Fenley
- Larry Hampton
- Tom Humphrey
- Terri Martin
- Brad Miller
- Allison Waggoner

## SUPERVISORY COMMITTEE ▲

The members of our Supervisory Committee volunteer their time to provide an additional level of checks and balances. This group meets every other month, as well as monthly with the Board of Directors.

- Joe Williams – Chairman
- Kerry Domke
- Glenn Hamilton

## EMERITUS BOARD MEMBERS ▲

- Walter Baughman
- Jim Blair
- Jerry Coe
- David Farr
- Tony McCanna
- Jerry McClary
- Ralph Moore
- Bill Numrich
- Dan Scott
- Marty Zygmund

