



**CAPITOL VIEW**  
*Credit Union*

Iowa's Credit Union for State Employees

2021  
Annual Report

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## Annual Meeting Agenda

5pm: Business meeting

- Ascertain quorum
- Reading and approval of 2021 minutes
- Approval of officer and committee reports
  - Old Business
  - New Business
  - Announcement of election results by election committee
  - Announcement of re-organizational meeting
- Adjournment

# LETTER FROM THE CHIEF EXECUTIVE OFFICER

## April 27, 2022

Dear Members:

### **Welcome to the 2022 Capitol View Credit Union Annual Meeting!**

Thank you to the board, staff and members for allowing me to serve as your CEO for the last 38 years. I will be retiring from my position at the end of September 2022. I first began working for Capitol View in June 1984, and have many fond memories of my time here. I greatly appreciate my staff—Ben, Jessica, Alyse, Linda and Diane. It is my pleasure to announce that Ben Sheridan will be your new CEO starting on October 1, 2022.

Capitol View members continue to be loyal. Your credit union provides a safe haven for your savings and investments in a tumultuous market. Your savings are federally insured up to \$250,000, and are backed by the full faith and credit of the United States Government by the National Credit Union Administration. We have also bolstered the safety and soundness of the credit union by adding to reserves and undivided earnings.

Capitol View is a progressive credit union for our size; we offer a full menu of online and mobile services. Those services include online banking, online bill pay, and person-to-person and institution-to-institution transfers via our new digital platform. We also have a mobile app with mobile bill pay and mobile deposit capture. We provide text alerts for possible fraud on debit cards and credit cards, and offer Apple Pay and Samsung Pay with our debit cards. We do this because we want to remain relevant to our members and competitive in the ever-changing world of digital banking. We upgraded our digital banking platform in October of 2021.

Our goal is to make our member's financial lives better. To this end, we offer many savings and lending products, including mortgage loans, that give our members great value. Most of all, it is the personal service we provide to you that sets us apart from our competitors. While our field of membership includes all state employees and state contractors and all of their family members, our policy, is "once a member, always a member." Your words to potential members describing your positive experiences with us are priceless.

Please review our 2021 annual report. Feel free to direct any questions to me or any of our board members. I always appreciate any suggestions on how we can improve service to you.



Sincerely,

A handwritten signature in black ink that reads "Brent Kowalsky". The signature is written in a cursive, flowing style.

Brent Kowalsky, CEO

# REPORT OF THE CHAIRMAN

## For the Year 2021

In 2021, your credit union board continued to look at Capitol View's strengths and areas for improvement. At our monthly meetings, we discussed new opportunities, economic trends, and possible new products and enhancements. Our priorities remain to be maintaining our financial goals and providing members the products and services they need. Additionally, we are always interested in identifying opportunities for membership growth.

Total loans were down in 2021, mostly due to enhanced liquidity caused by stimulus payments. We did add \$139,299 to our reserves. This helps to add greater stability to the credit union.

Capitol View Credit Union is a member of the Iowa Credit Union League. In this League, legislative priorities include maintaining the credit union tax status; addressing affordable housing, quality of life, and skilled workforce initiatives; and helping Iowans save with prize-linked savings.

I am very pleased with the cooperative effort of our staff, working as a team, and sharing knowledge and experiences. This teamwork is the key to making your credit union successful and to meeting the needs of our members. The board members and I extend a special thank you to Capitol View's staff, Brent, Ben, Jessica, Alyse, Linda and Diane for their efforts to serve our members during a difficult year. We will welcome back our summer part timer Madeline in May. We continue to work to provide trained and caring staff to provide for our members needs and as a commitment to the credit union's success.

Thank you for your continued membership and support of Capitol View Credit Union. Our goal is to help our members remain financially healthy so they may reach their goals and dreams. We greatly appreciate any referrals of family or coworkers. We want you to know that no matter what stage of life you're in, Capitol View Credit Union will remain a place you can call home.

Sincerely,

A handwritten signature in black ink, appearing to read 'Carl Martin', written in a cursive style.

Carl Martin, Chairman of the Board

# REPORT OF THE CREDIT COMMITTEE

## For the Year 2021

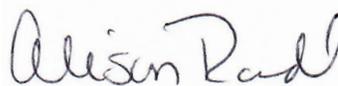
During the calendar year 2021, the credit committee received and reviewed 9 loan applications for a total of \$1,070,333.30. The credit committee approved 9 loans in the amount of \$1,070,333.30 and rejected no loans. The loan officers received and reviewed 384 loan applications for a total of \$8,776,180.32. The loan officers approved 315 loans in the amount of \$7,376,244.33 and rejected 69 loans in the amount of 1,399,935.99. Of the 324 loans approved 33 were home equity or mortgage loans in the amount of \$2,511,397.50. There were a total of 27 advances made on home equity lines during 2021, for a total of \$399,036.00. In addition, the credit union helped 24 members secure first mortgage loans through our partner Premier Lending Alliance in the amount of \$4,364,440 which were sold on the secondary market.

As of December 31, 2021 there were 867 Gold MasterCard or Classic MasterCard accounts issued of which 572 had balances. The total line of credit out was \$4,629,073 and actual balances of \$918,907.

Total new loans and advances to credit union members and business loan participations during 2021 were 572 amounting to \$12,186,646.



Randal Anderson, Chairperson



Alison Radl, Secretary



Matt Scheetz, Committee Member

# REPORT OF THE CHIEF FINANCIAL OFFICER

## For the Year 2021

Total shares and deposits increased from \$34,774,224 on December 31, 2020 to \$37,813,779 on December 31, 2021.

Your savings are federally insured to at least \$250,000.00 and backed by the full faith and credit of the United States Government.

There were 1,918 active members as of December 31, 2021

Loans to members decreased from \$21,258,603 on December 31, 2020 to \$18,976,982 on December 31, 2021.

Dividends in the amount of \$148,338 were paid to members during calendar year 2021.

Services offered to CapitolView Credit Union members are:

- Share savings account
- Money market account
- Share draft checking account
- IRA account
- Roth IRA account
- Education IRA Account
- Christmas club account
- Share certificate
- IRA share certificate
- Longer term CD's
- Direct deposit
- Direct debit
- Payroll deduction
- Visa Debit cards EMV Chip enabled
- Tellers checks
- Atira gift cards (issued by VISA)
- Reloadable Visa cards
- New and used vehicle pricing information
- New and used vehicle loans
- Signature loans
- Share backed loans
- Certificate backed loans
- Private student loans through Aspire
- EMV Chip enabled Classic Gold MasterCard
- Mobile home loans
- Recreational vehicle loans
- Home equity loans and home equity lines of credit
- First mortgage loans
- Business loans through CBL
- Free \$1,000 accidental death and dismemberment insurance for members age 18-69 if enrolled
- Credit life and disability insurance available on loans
- Debt protection on home equity loans
- Vehicle warranty through Route 66
- GAP Insurance on vehicles
- Depreciation protection on vehicles
- Vehicle protection plan
- CapitolView CLUB—for members over 60
- Group auto and homeowners insurance through TruStage Insurance Agency—underwritten by Liberty Mutual
- Free notary service
- Toll free watts line
- Online banking with single sign on
- access to eStatements
- Online bill payment
- Online MasterCard information through MyCard Info
- Mobile application which allows you to access your accounts via a compatible smartphone
- Mobile Check Deposit
- A2A/P2P funds transfer tool
- Mobile Bill Pay
- ApplePay
- SamsungPay
- Signature Guarantee Service

Our office is located at 623 East 12th Street, Des Moines, IA 50309. It features ample parking, a drive up window, a drive up ATM, and safe deposit boxes. We also participate in Shared Branching where CapitolView members can transact business on their CapitolView accounts at over 5,000 participating credit unions nationwide. We have ATMs in the State Capitol, Wallace Building, and the IWD Building. In addition members may access their accounts 24 hours a day through ATM's worldwide, through our online banking platform, mobile app or voice response system.

On behalf of the CapitolView Credit Union board of directors I'd like to thank the membership for their continued support and patronage.



Matt McCormick  
Chief Financial Officer

# REPORT OF THE AUDIT COMMITTEE

## For the Year 2021

During the calendar year 2021, the Audit Committee examined the credit union financial records and verified the cash on hand. In addition, financial statements were examined, expenses were audited, closed accounts were verified and home equity loans were reviewed. Provision for loan loss account was verified as adequate to meet anticipated needs. The ACH annual audit was completed for the period of October 1, 2020 through September 30, 2021. The Bank Secrecy Act annual audit was completed as of September 30th, 2021 by our CPA firm Gardiner Thomsen. Gardiner Thomsen also did an agreed upon procedures annual audit as of September 30, 2021.

An audit of all member accounts was performed with the quarterly statements issued on June 30, 2021.

In our opinion, the financial statements for the year 2021 fairly represent the financial status of Capitol View Credit Union and reflect a very sound financial condition.



Sherry Van Vugt, Audit Chairperson



Jermaine Keys, Audit Secretary



Justin Willier, Audit Member

# STATEMENT OF FINANCIAL CONDITION

## As of December 31, 2021

ASSETS	<u>2021</u>	<u>2020</u>
Loans to Members*	\$18,976,982	\$21,258,603
Allowance for Loan Loss	(\$151,538)	(\$202,730)
Cash	\$20,037,795	\$11,881,993
Investments (Book Value)	\$6,283,800	\$5,593,300
Fixed Assets	\$48,949	\$86,261
Land and Building	\$1,113,182	\$1,168,898
Other Assets	\$700,793	\$805,924
NCUA Capitalization Deposit	\$337,666	\$295,950
 Total Assets	 \$44,112,929	 \$40,888,199
 LIABILITIES AND EQUITY		
Shares and Deposits	\$37,813,779	\$34,774,224
Notes Payable	\$0	\$0
Accounts Payable and Other	\$178,252	\$132,376
Legal Reserve & Other Reserves	\$1,172,493	\$1,172,493
Undivided Earnings	\$4,809,106	\$4,683,566
Net Income	\$139,299	\$125,540
 Total Liabilities and Equity	 \$44,112,929	 \$40,888,199

\*Unused Lines of Credit include:

MasterCard @ \$3,710,166

Home Equity @ \$414,991

Privilege Pay @ \$532,024

## STATEMENT OF INCOME AND EXPENSE

### As of December 31, 2021

INCOME	2021	2020	Change
Interest on Loans	\$976,167	\$1,091,797	(\$115,630)
Investment Income	\$81,015	\$164,190	(\$83,175)
Other Income	\$317,582	\$368,363	(\$51,340)
 Gross Income	 \$1,374,764	 \$1,624,350	 (\$249,586)
 EXPENSE			
Employee Compensation	\$505,173	\$538,207	(\$33,034)
Administrative Costs	\$12,452	\$10,239	\$2,213
Office Occupancy Costs	\$91,857	\$91,393	\$464
Operating Costs	\$374,186	\$464,042	(\$89,856)
Account Service Costs	\$88,651	\$103,990	(\$15,339)
Provision for Loan Losses	\$14,808	\$72,350	(\$57,542)
Legal Reserve Expense	\$0	\$0	\$0
Dividend Expense	\$148,338	\$222,222	(\$73,884)
Total Expense	\$1,235,465	\$1,502,443	(\$266,978)
 Net Income	 \$139,299	 \$121,907	 \$17,392
Gain/Loss Disposition of Assets	\$0	\$3,633	(\$3,633)
Net Income After Non-Operating Gain	\$139,299	\$125,540	\$13,759

## CAPITOL VIEW CREDIT UNION 2021 BOARD MEMBERS

Lisa Kolontar	IWD	Term Expires 2022
Alison Radl	Office of the CIO	Term Expires 2022
Sherry Van Vugt	IWD	Term Expires 2022
Justin Willier	IWD	Term Expires 2023
Matt McCormick	McCormick Law	Term Expires 2023
Carl Martin	Retired	Term Expires 2023
Randal Anderson	Timberline Billing	Term Expires 2024
Jermaine Keys	Self Employed	Term Expires 2024
Matthew Scheetz	Revenue	Term Expires 2024

# CAPITOL VIEW CREDIT UNION STAFF

## Member Service Representatives



*Alyse*  
alyseg@capview.com



*Jessica*  
jessicah@capview.com

## Loan Officers



*Linda*  
lindak@capview.com



*Diane*  
dianew@capview.com

## Managers



*Ben*  
Assistant Manager  
bens@capview.com



*Brent*  
CEO  
brentk@capview.com