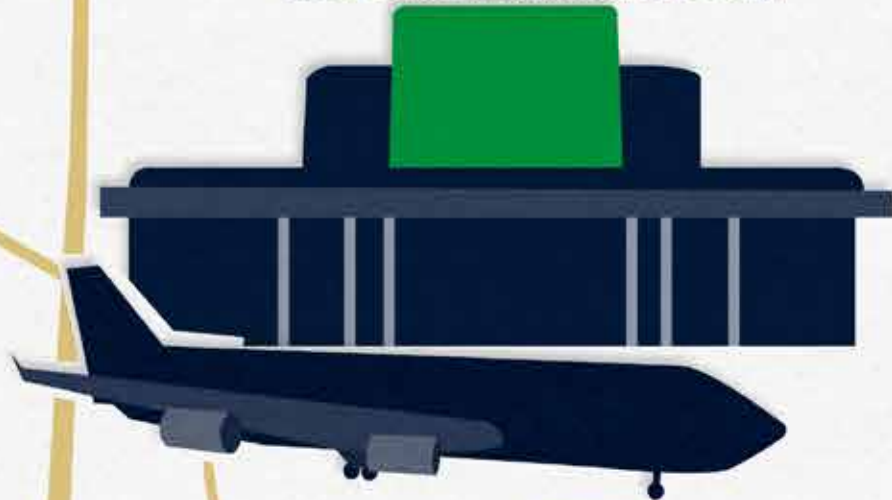


NOTRE DAME FEDERAL CREDIT UNION | 2017 ANNUAL REPORT

SOUTH BEND INTERNATIONAL AIRPORT



2  
TOMME O.

4  
PAUL E.

3  
DOUG H.

UNIVERSITY OF  
NOTRE DAME



NOTRE DAME FEDERAL  
CREDIT UNION



A COMMUNITY  
BUILT AT THE

**SOUTH  
BEND**

OF THE  
ST. JOSEPH RIVER

ALOFT BUILDING



SOUTH BEND  
RIVER LIGHTS

SOUTH BEND CUBS STADIUM



FOUR WINDS CASINO



1  
SARAH B.

5  
MICHELLE W.

INDIANA UNIVERSITY SOUTH BEND



BEUTTER PARK







# "IT IS NOT JUST ABOUT THE NUMBERS. OUR MISSION CENTERS AROUND OUR MEMBERS AND THEIR STORIES."

## Dear Fellow Members,

Over 75 years ago, our credit union was created with the sole purpose to serve our members. As a financial cooperative, we are owned and controlled by the members we serve. It is the only reason we exist, and we work tirelessly to fulfill that purpose.

In 2017, our commitment to you and the communities we serve, directed our path to success. Once again, we awarded more scholarships and internships than ever before. We continued to set industry standards by our dedication to providing a living wage for ALL our employees, while simultaneously positioning us to attract and retain the best partners (employees) possible.

It is these partners who propelled the credit union to reach record success, with earnings over \$3 Million. As you already know however, it is not just about the numbers. Our mission centers around our members and their stories. Our record earnings in 2017 were complemented by a record breaking year of givebacks. Last year, we donated over \$150,000 to more than seventy organizations and returned over \$750,000 in rewards and cash back to both our members and the communities in which we live and work.

Other highlights of 2017 include the opening of the new, expanded branch in the Martin's Supermarket located on the corner of Mayflower Road and Western Avenue. This move has allowed us to continue our outreach to the Westside South Bend Community, while expanding our outreach to the Hispanic community and other neighborhood groups.

What matters most to us is that we keep our organizational hearts and minds open to doing good and being fair wherever and whenever we can. We are very blessed to have loyal members like each of you, who make all this possible.

As always, if you have any questions, suggestions, comments or complaints, please do not hesitate to contact me at [TGryp@NotreDameFCU.com](mailto:TGryp@NotreDameFCU.com).

Thanks again for being part of our credit union family!

Thomas J. Gryp, President/CEO  
Class of '79





**“I’M SO THANKFUL,  
IT HELPED ME PAY  
FOR TUITION”**

Sarah always knew she wanted to work in healthcare. Her mother is a nurse, and then, when Sarah spent a great deal of time in the hospital supporting her sick grandmother, it became clear to Sarah. Helping people was her calling.

Sarah’s parents were very supportive of her dream to work in healthcare. They took her on college visits when she was a Senior in high school. Sarah graduated from Ball State University with a degree in Exercise Science. She is currently enrolled in the Occupational Therapy program at Indiana University-Purdue University Indianapolis.

Sarah’s family have been members of the credit union since 1980, and when Sarah’s mom saw information about the scholarship program on the website, she encouraged Sarah to apply.

**1**

**SARAH BRECHENSER, MEMBER SINCE 1995**







**2** TOMME OWENS, MEMBER SINCE 1990

**"I DON'T THINK OTHER PEOPLE  
WOULD'VE HELPED ME LIKE THAT"**

Tomme has been a member of Notre Dame FCU for over 25 years. After experiencing significant loss, including her husband, her mother-in-law, and her dog, she decided she needed to move to a better neighborhood, one in which she would feel safe living alone. Tomme was worried that it would not be a possibility for her.

When she was ready to sell the home she had lived in for over 30 years to move into a newer home, Notre Dame Federal Credit Union was there for her. Tomme appreciated the sensitivity afforded to her through the entire process.



**3** DOUG HERSHBERGER, MEMBER SINCE 2008

**"I DIDN'T DO ANYTHING FANCY  
OTHER THAN WHAT I HAD TO DO...  
AND I'D DO IT AGAIN IN A MINUTE"**

Doug was proud to enlist in the United States Air Force in 1969, right out of high school. Stationed in Ramstein, Germany, Doug served in law enforcement and security.

Doug is also a member of the American Legion Riders. This local group of motorcycle enthusiasts participates in an annual fundraiser to collect donations for area families of those who have lost someone in the line of duty. Doug says that the Good Lord has been good to him so it is the least he can do to return the favor.

**"I WOULD CONSIDER  
NOTRE DAME  
FEDERAL  
CREDIT UNION  
A PARTNER"**

Paul Eddy is the Business Manager at Sacred Heart Parish at the University of Notre Dame. His job includes everything from financing to equipment repair, and it is that variety that Paul loves.

He feels like Notre Dame FCU is in the same partnership as the parish with helping people. As the Business Manager, Paul says that Notre Dame FCU has always looked out for the parish most of all.

**4** PAUL EDDY, MEMBER SINCE 1984  
SACRED HEART PARISH, MEMBERSHIP SINCE 2003



# “IT JUST HELPED ME BREATHE”

Michelle grew up in South Bend and has lived there all her life. She has a fierce work ethic and says it came from her mom. Michelle has watched her mom work two jobs since she was 12 years old, and it was that example that instilled the importance of hard work in her from a very early age.

Notre Dame FCU visited Michelle at her office to talk about ways to lower her monthly auto payments. When looking at the life of her auto loan, Michelle was able to save over \$2,000 just by moving it to Notre Dame FCU. When she refinanced her auto loan, she felt like she was not just a number and Notre Dame FCU was there to help with whatever she needed.

**5** MICHELLE WORKS, MEMBER SINCE 2016





# BOARD OF DIRECTORS

A credit union Board of Directors consists of volunteers elected at the annual meeting by the controlling management of the credit union—its members. Notre Dame FCU's Board of Directors is dedicated to setting the credit union's policies, all the while maintaining the best interests of the membership.

Pat Ruszkowski  
Board Chairman

Jerry Langley  
Vice-Chairman

Fr. Mark B. Thesing, CSC  
Treasurer

James M. Summers  
Secretary

Victor J. DeCola  
Chairman Emeritus

Brenda L. Bickel  
Director

David Brenner  
Director

Rodney C. Donigan  
Director

Mark P. Mullaney  
Director

Lou Pierce  
Director

Frederick "Freddie" W. Thon  
Director



# SUPERVISORY COMMITTEE

Notre Dame FCU's Supervisory Committee monitors the operations of the credit union and its internal control system. Supervisory Committee members not only attend every Board of Directors meeting, they also meet periodically with the regulatory examiners and external auditors to ensure the efficiency and ethical practices of the credit union.

Our Supervisory Committee members are David Brenner (Committee Chairman), Sam Centellas, Katherine Williams and Michael Palmer.

## **The Supervisory Committee's Report**

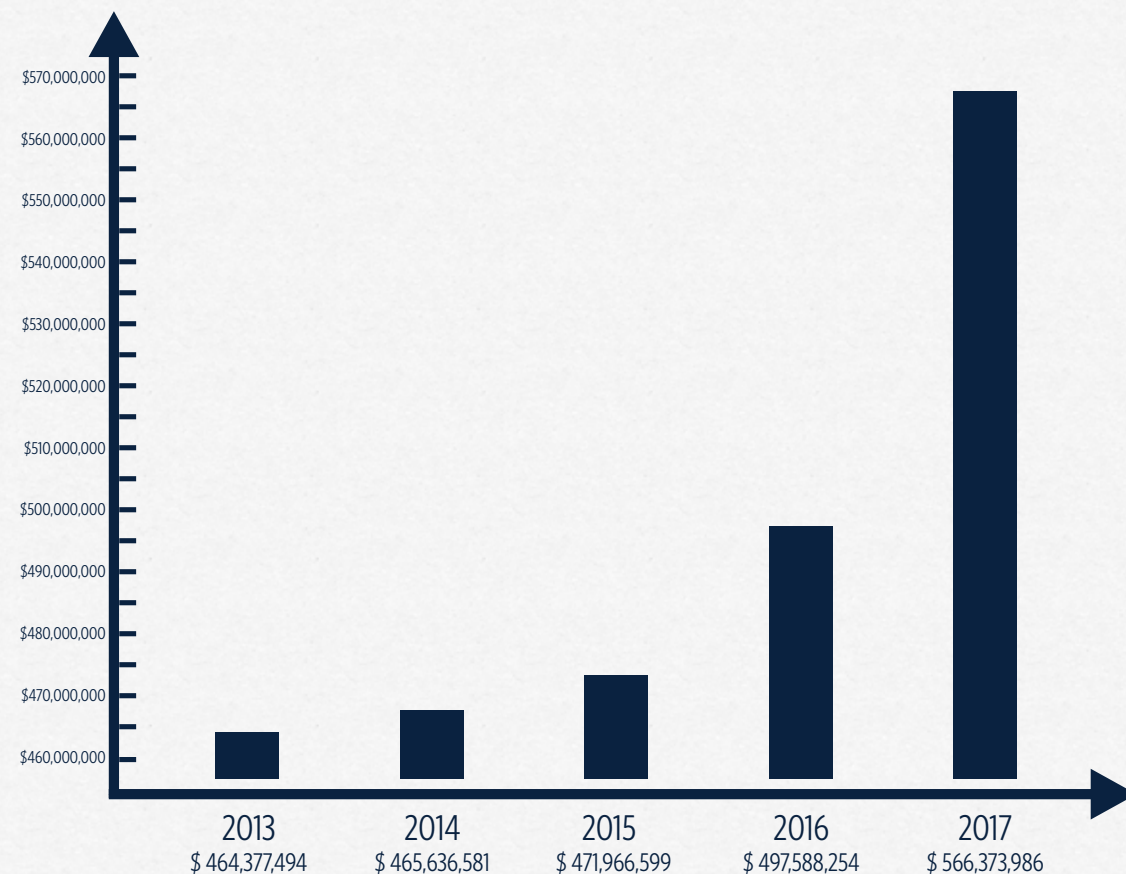
The NCUSIF (National Credit Union Share Insurance Fund), an agency of the United States Government, was established exclusively to insure credit union deposits in members' accounts. Most properly established share accounts are insured up to \$250,000, with an additional \$250,000 for Individual Retirement and Keogh Accounts. The credit union also maintains excess deposit insurance from Excess Share Insurance Corporation (ESI), covering an additional \$250,000 for all qualified member share balances exceeding \$250,000.

Plante & Moran, PLLC, Certified Public Accountants, were hired at the recommendation of the Supervisory Committee to conduct an audit of the 2017 financial statements and to render an opinion thereon. Although the financial statements audited by the credit union's independent accountants, Plante & Moran, PLLC, are not included in this Annual Report, they are available upon request from the credit union. As your Supervisory Committee, it is our opinion that Notre Dame FCU meets the requirements of State and Federal regulations, and credit union by-laws, and continues to focus on efficient and effective operations, as directed by the Board policy.





# STATEMENT OF FINANCIAL CONDITION



TOTAL ASSETS

## Assets

	December 31, 2017	December 31, 2016
Cash and Due from Financial Institutions	\$ 28,332,457	\$ 49,479,555
Interest-Earning Balances in Other Financial Institutions	6,979,854	6,829,050
<b>Total Cash and Cash Equivalents</b>	<b>35,312,311</b>	<b>56,308,605</b>
Certificate of Deposit in Other Financial Institutions	950,000	750,000
Securities Available for Sale	30,157,037	17,064,657
Loans - Net	471,393,943	396,832,452
Loans Held for Sale	-	484,055
Mortgage Servicing Rights - Net	1,811,524	1,660,325
Premises and Equipment - Net	6,860,501	5,965,567
Credit Union-Owned Life Insurance	5,858,307	5,708,753
Federal Home Loan Bank Stock	1,810,000	1,641,100
Membership Capital at Corporate Credit Union	1,500,000	1,500,000
Share Insurance Deposits	4,377,073	4,206,280
Prepaid Pension Asset	2,636,826	2,491,062
Accrued Interest Receivable	2,251,429	2,006,238
Other Assets	1,455,035	969,160
<b>Total Assets</b>	<b>\$ 566,373,986</b>	<b>\$ 497,588,254</b>

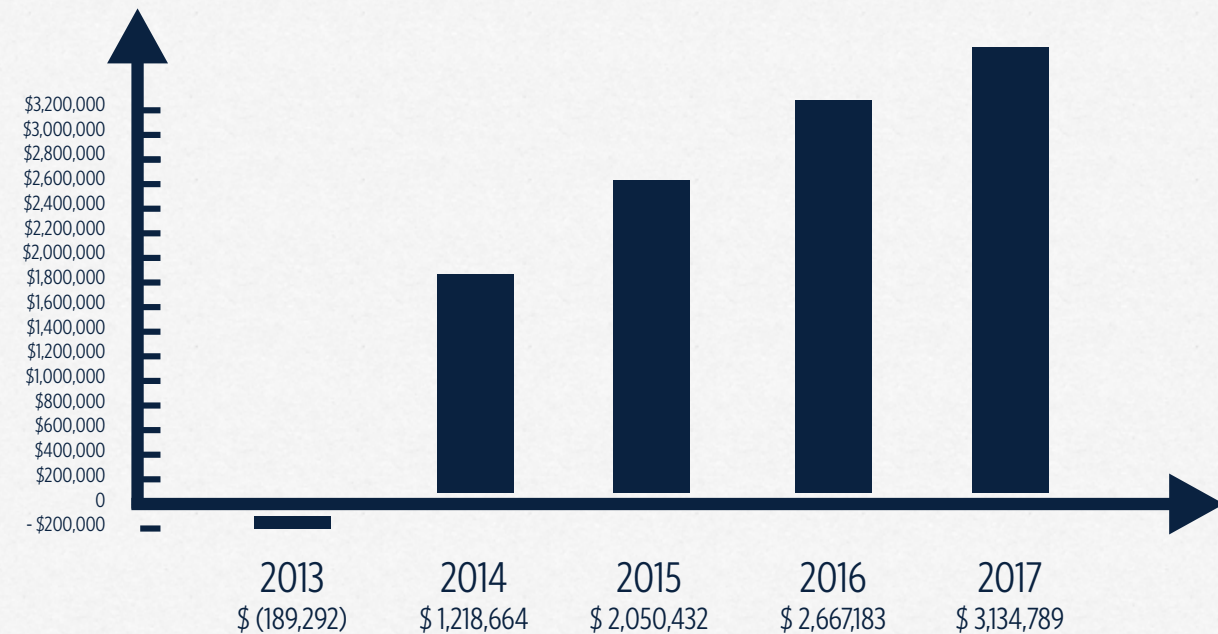
## Liabilities and Members' Equity

<b>Liabilities</b>		
Members' Share Accounts	\$ 452,718,558	\$ 434,208,181
Non-Member Certificates of Deposit	29,330,519	9,640,447
Federal Home Loan Bank Advances	25,000,000	10,000,000
Subordinated Debt - Net	11,703,228	-
Accrued and Other Liabilities	5,566,379	4,826,459
<b>Total Liabilities</b>	<b>\$ 524,318,684</b>	<b>\$ 458,675,087</b>
Members' Equity	42,055,302	38,913,167
<b>Total Liabilities and Members' Equity</b>	<b>\$ 566,373,986</b>	<b>\$ 497,588,254</b>





# STATEMENT OF OPERATIONS



NET INCOME

## Interest Income

	December 31, 2017	December 31, 2016
Loans	\$ 18,281,850	\$ 16,181,181
Securities Available for Sale	399,650	408,254
Other	306,485	277,897
<b>Total Interest Income</b>	<b>\$ 18,987,985</b>	<b>\$ 16,867,332</b>
<b>Interest Expense</b>		
Members' Shares	1,427,643	1,609,368
Federal Home Loan Bank Advances	388,640	282,642
Nonmember Certificates of Deposit	265,903	196,336
Subordinated Debt	57,914	-
<b>Total Interest Expense</b>	<b>2,140,100</b>	<b>2,088,346</b>
Net Interest Income	16,847,885	14,778,986
Provision for Loan Losses	2,460,000	1,895,000
<b>Net Interest Income After Provision for Loan Losses</b>	<b>14,387,885</b>	<b>12,883,986</b>
<b>Non-Interest Income</b>		
Service Fees and Charges	3,351,841	2,761,717
Mortgage Banking Income	1,405,182	1,836,018
Commissions	2,089,301	1,395,361
Interchange Fees	3,588,897	3,321,459
Other	969,469	871,825
<b>Total Non-Interest Income</b>	<b>11,404,690</b>	<b>10,186,380</b>
<b>Non-Interest Expense</b>		
Salaries and Employee Benefits	12,344,498	10,421,411
Occupancy	1,749,279	1,604,672
Credit Card Servicing	734,421	768,442
Marketing	871,721	768,693
Equipment and Data Processing	2,605,639	2,637,448
Share Insurance Deposit Expense	18,992	16,094
Other	4,333,236	4,186,423
<b>Total Non-Interest Expense</b>	<b>22,657,786</b>	<b>20,403,183</b>
<b>Net Income (Loss)</b>	<b>\$ 3,134,789</b>	<b>\$ 2,667,183</b>





