



# **ANNUAL REPORT**

## **2024**

**“Germania Credit Union’s vision is to serve its members’ needs through an evolving innovative member experience; develop existing relationships while growing within its field of membership; and achieving sustainability through smart growth.”**

## **GERMANIA CREDIT UNION**

Germania Credit Union (GCU) was organized in 1986 as a savings and lending institution to benefit the employees, insurance writers, local chapter officials and members of Germania Farm Mutual Insurance Association (GFMIA) and its subsidiaries throughout the state.

Germania Credit Union offers a share savings account which earns interest, referred to as dividends, and is paid quarterly. GCU also offers certificates of deposit (CD) at competitive rates, money market accounts and share draft (checking) accounts with no minimum balance and no monthly service charge. Share draft accounts also offer the availability of a Visa Debit Card as well as free Electronic Services including online and mobile banking, ACH transfers and remote deposit capture. The minimum deposit to open a CD is \$500.00 and the minimum required to open a share draft account is \$100.00. All members are insured up to \$250,000 by the National Credit Union Administration, an agency of the federal government.

Germania Credit Union offers loans at very competitive rates. Types of loans include Personal Loans, Shared Secured Loans, Automobile, Boat, Recreational Vehicle, Computer and Farm Equipment Loans. In addition to consumer loans the credit union offers Mortgage Loans. The credit union is partnered with Rocket Pro-TPO to allow members Fannie and Freddie insured loan options with terms up to 30 years for both home purchases and refinances. GCU also offer various loan specials through the year, such as vacation, back-to-school, Christmas, Skip-a-Pay and various others.

Germania Credit Union ended 2024 with 2,590 members. Assets were more than \$19.6 million and loans of \$12.1 million. The credit union's continued growth depends greatly on your participation. You and your family are encouraged to join the Credit Union. To do so, please contact Wendy Frazier, Chelsea Lozano, Larry Tyler or Scot Mertz. We are looking forward to 2025 and appreciate your support.

**GERMANIA CREDIT UNION**  
**2024**

**BOARD OF DIRECTORS**

John Trostle -Chairman  
Liz Broesche -Vice Chairman  
Hayden Mierl -Treasurer  
Kaci Eilert -Secretary  
Thresia Schlabach

Wendy Rubach  
Jeff Smestuen  
Cheyanne Lehrmann  
Traci Bagley

**CREDIT COMMITTEE**

Hayden Mierl -Chairman  
Garrison Shulze  
Jack Headlee  
Felicia Boykin  
Liz Broesche  
Shelly Orsak  
Amy Espinoza

**MARKETING COMMITTEE**

Krista Sander -Chairman  
Kim Kaliszewski  
Christine Devine  
Cheyanne Lehrmann  
Christine Marinis  
Lindsey Fricke

**AUDIT COMMITTEE**

Jennifer Gillespie -Chairman  
Traci Bagley  
Darla Hamff  
John Trostle  
Jordan Crabtree  
Olivia Davis  
Courtney Becker  
Virginia Kapchinski  
MaryNell Frey

**ALCO COMMITTEE**

Hayden Mierl -Chairman  
Scot Mertz -Secretary  
Liz Broesche  
John Trostle  
Wendy Frazier

**Credit Union Staff**

Wendy Frazier – President  
Scot Mertz – Accounting Manager  
Chelsea Lozano – Financial Service Rep  
Larry Tyler – Loan Officer

**GERMANIA CREDIT UNION**  
**39<sup>th</sup> Annual Meeting Agenda**

- |                                       |               |
|---------------------------------------|---------------|
| I. Call to Order.....                 | John Trostle  |
| II. Ascertain a Quorum.....           | John Trostle  |
| III. Approve Minutes.....             | Kaci Eilert   |
| IV. Chairperson's Report.....         | John Trostle  |
| V. President's Report.....            | Wendy Frazier |
| VI. State of Financial Condition..... | Hayden Mierl  |
| VII Nominating Committee Report.....  | Rose Stein    |
| VIII. Committee Reports.....          | John Trostle  |
| IX. Adjourn.....                      | John Trostle  |

**Germania Credit Union**  
**Thirty-Eighth Annual Meeting Minutes**  
**March 26, 2024**

The thirty-eighth annual membership meeting of the Germania Credit Union was held on March 26, 2024, in the Germania Insurance Home Office Board Room. There was also an option to attend via Zoom. There were 44 attending in person plus online.

The annual report was provided to all members who attended. The report included the thirty-seventh annual meeting minutes, a report from the chairman of the board, a report from the audit committee, a report from the credit committee, a report from the marketing committee, a report from the asset liability management committee and a report from the nominating committee.

Liz Broesche, Vice Chairman of the Board, opened the meeting with a report from the Chairman, Michelle Sayre. She recognized Nick Tonelli for his time with Germania Credit Union as well as Janet Mantey who retired at the end of the year. Michelle went on to congratulate our new President, Wendy Fraizer, on her promotion after Nick leaving. Michelle also recognized our current staff, Chelsea Lozano and Scot Mertz and thanked them for all they do for Germania Credit Union. She also thanked all the members of the committees for all their hard work.

Wendy Fraizer, President, gave the report of the president. She detailed the financial highlights of the credit union over the last year and the way that the credit union continues to improve the products and services offered. We are focusing on member services, positioning the credit union to be its members' primary financial institution. Wendy thanked Germania Farm Mutual Insurance Association, the sponsor of the Germania Credit Union; the many volunteers that serve on the Audit, Credit, Marketing, and Asset Liability committees; the Board of Directors; and the Germania Credit Union members. Each of you make our credit union a success.

The report of the Nominating Committee was provided by Wendy Fraizer. The Nominating Committee consisted of Jennifer Gillespie, Rose Stein, and Chairman Michelle Sayre. Jeff Smestuen, Liz Broesche and Kaci Eilert were nominated to fill the three full-term vacancies on the Board. All agreed to serve on the Board for the term of 2024 to 2027. The results of the voting were:

- Jeff Smestuen was elected as director with 41 votes for and 3 votes against.
- Liz Broesche was elected as director with 44 votes for and 0 votes against.
- Kaci Eilert was elected as director with 42 votes for and 2 votes against.

The meeting was adjourned by Liz Broesche and a luncheon was held for the members present.

Winners of the drawing prizes for a \$25 Gift Card:

- Bailey Conway
- Courtney Koehne
- Kelleen Arquette
- Jorge Vega

Respectfully submitted,

*Thresia Schlabach*

Thresia Schlabach

## REPORT OF THE CHAIRMAN OF THE BOARD

Welcome everyone. Thank you for attending our annual meeting. Your participation and support are very important to us.

The Germania Credit Union Team had another great year in 2024. We got a new Loan Officer in April with Larry Tyler filling that vacancy. Larry brings a lot of experience and has been a great fit for us.

I cannot stress enough how effective our small staff is. What we lack in quantity, we more than make up for in quality. Wendy Frazier hit full stride in her first full year as President. Scot Mertz has done an outstanding job of taking over Accounting Manager duties after Janet Mantey's retirement at the end of 2023. Larry Tyler hit the ground running, and Chelea Lozano continues to serve our members with their best interest at heart.

I would also like to say thank you to our members. You are the reason we come to work every day. We couldn't do it without you.

I also want to thank the Board of Directors, the Credit, Audit, Marketing, and ALCO Committees for the time and effort you dedicate by volunteering to support the credit union. Germania Credit Union's sponsor, Germania Farm Mutual Insurance Association, allows these employees to spend time away from their daily jobs to support the needs of the credit union. Their ongoing support is greatly appreciated.

We are continuing to watch the market and we are making an effort to be even more open to change to serve our customers and ensure the health of Germania Credit Union.

Respectfully submitted,

*John Trostle*

John Trostle  
Chairman of the Board

## REPORT OF THE PRESIDENT

As we look back on 2024, I am pleased to report that it was another successful year for Germania Credit Union. At year end, the assets of our credit union were over \$19.6 million, deposits from members exceeded \$16.9 million, member loans were over \$12.1 million, and our membership stood at 2,590. When you look at the financial report you will see that GCU posted net income of \$76,246. This led the credit union to improve its capital position.

In 2024 the credit union continued to improve products and services focused on increasing member service and positioning the credit union to be its members primary financial institution.

- **Debit Card Randomization Project (Complete)** The credit union completed the debit card randomization project, which uses a randomization program to create debit card numbers, which creates an added protection our members and the credit union from debit card fraud.
- **Moved our Total1 Server offsite (Complete)** We moved our server, once housed in the branch, to an off-site secured location, which allows for a quicker, more efficient business resumption plan.

Germania Credit Union would like to thank our sponsor, Germania Farm Mutual Insurance Association. They provide the time for many of our volunteers to meet and support our daily operations in countless ways. It is an honor to have the word Germania in our name, but with that comes an obligation to operate the credit union and serve our members with the same excellence Germania operates with and provides their policyholders.

It is important to let you know of the many volunteers who work for the credit union on your behalf, and to thank them for their service. The credit union has four standing committees that I would like to recognize and thank for their service:

- **Audit Committee:** monthly loan audit/report and currency controls review and audit/report
- **Credit Committee:** review and grant loans within the credit unions general lending policy
- **Marketing Committee:** promote credit union and plan annual meeting/annual Credit Union Day
- **Asset Liability Committee:** review assets, liabilities, liquidity, rates, ratios, investment activity, lending activity and capitalization

You will find a list of these volunteers at the front of this Annual Report. They work hard to support credit union operations with no personal reward. We appreciate every moment they are willing and able to give. They each come with a wealth of knowledge and a true passion for the success of Germania Credit Union.



In addition to the volunteers on these committees, our Board of Directors who give of their time freely. They meet at least monthly and give up their lunch hour to do so. As members we should be proud and grateful for this group of volunteers who have an intense desire to see the credit union succeed in its mission to serve us, the members. Each one of them brings their own expertise and experience to the board and they each share an unwavering commitment to the credit union philosophy. I am thankful for the time and knowledge each board member shares with the entire GCU staff.

I also want to thank each of you for your participation in making Germania Credit Union a success. Each one of you is an owner of the credit union and your combined strength is that of the credit union. Organic growth is key to the credit union's success. I encourage each of you to be an ambassador of the credit union. It is my promise that we will serve each new member with passion and purpose to help them achieve financial success.

Sincerely,

*Wendy Frazier*

Wendy Frazier  
President

# Germania Credit Union

## Statements of Financial Condition

December 31, 2024 and 2023

	<u>2024</u>	<u>2023</u>
<u>Assets</u>		
Cash and cash equivalents	\$ 7,250,130	1,928,216
Loans receivable, net of allowance for credit losses	12,095,470	17,685,421
Accrued interest receivable	33,095	49,147
Equipment, net of accumulated depreciation of \$64,536 and \$51,418	43,006	56,124
Prepaid expenses and other assets	17,468	24,637
NCUSIF deposit	<u>174,188</u>	<u>168,666</u>
Total assets	<u>\$ 19,613,357</u>	<u>19,912,211</u>
<u>Liabilities and Members' Equity</u>		
Members' share and savings accounts	\$ 16,965,993	17,218,758
Non-member deposits	248,000	248,000
Note payable	-	200,000
Accrued expenses and other liabilities	<u>113,097</u>	<u>35,433</u>
Total liabilities	<u>17,327,090</u>	<u>17,702,191</u>
Members' equity:		
Statutory reserve	203,380	203,380
Undivided earnings	<u>2,082,887</u>	<u>2,006,640</u>
Total members' equity	<u>2,286,267</u>	<u>2,210,020</u>
Total liabilities and members' equity	<u>\$ 19,613,357</u>	<u>19,912,211</u>

See accompanying notes to financial statements.

# Germania Credit Union

## Statements of Income

Years Ended December 31, 2024 and 2023

	<u>2024</u>	<u>2023</u>
Interest income:		
Loans receivable	\$ 770,451	875,593
Invested cash and cash equivalents	167,176	37,729
Total interest income	<u>937,627</u>	<u>913,322</u>
Interest expense:		
Members' share and savings accounts	342,290	250,226
Non-member deposits	1,141	6,578
Other borrowing	151	16,188
Total interest expense	<u>343,582</u>	<u>272,992</u>
Net interest income	594,045	640,330
Provision for credit losses	<u>(42,123)</u>	<u>1,344</u>
Net interest income after provision for credit losses	<u>551,922</u>	<u>641,674</u>
Non-interest income:		
Contributions from sponsor	73,338	29,999
Fees and charges	60,777	85,661
Total non-interest income	<u>134,115</u>	<u>115,660</u>
Non-interest expense:		
Compensation and benefits	357,088	370,499
Occupancy	29,749	29,000
Stationery and supplies	20,263	16,721
Correspondent bank service charges	16,152	17,537
Legal and professional	64,173	23,024
Maintenance	23,027	30,391
Depreciation	13,118	16,220
Insurance and assessments	21,138	19,098
Other	65,082	80,237
Total non-interest expense	<u>609,790</u>	<u>602,727</u>
Net income	<u>\$ 76,247</u>	<u>154,607</u>

See accompanying notes to financial statements.

## **REPORT OF THE AUDIT COMMITTEE**

The 2024 GCU Audit Committee consisted of Traci Bagley, Olivia Davis, Darla Hamff, Virginia Kapchinski, MaryNell Frey, Jordan Crabtree, Jennifer Gillespie, Cheyanne Lehrmann and John Trostle.

The Board of Directors charges the Audit Committee with the responsibility to review and report on the state of the financial assets of your credit union. The Audit Committee conducts sample reviews of made, declined or miscellaneous loan files. The loan file reviews were conducted and reported to the GCU board and the few exceptions noted were corrected. In addition, four surprise audits of each teller's and stamp drawers and the safe are conducted and reported to the board. The audit committee assists the firm of Jaynes, Reitmeier, Boyd & Therrell, P.C. of Waco by compiling and mailing of members' December statements.

The Committee randomly selected fifteen December 2024 statements to tie back to the GCU general ledger without exception. Additionally, the Committee compiled and mailed all statements without exception.

The 2024 GCU Audit Committee is pleased to have served an important role for the members of GCU and remain ready to continue our role for the members in the future.

I would like to thank each of the Audit Committee members for their dedication, eagerness, and thoroughness in performing their functions and their willingness to volunteer their time and talents to GCU and its members. I would also like to thank the GCU staff for their cooperation.

Respectfully submitted,

*Jennifer Gillespie*

Jennifer Gillespie  
Audit Committee Chair

## REPORT OF THE CREDIT COMMITTEE

The 2024 Germania Credit Union Credit Committee consisted of Hayden Mierl (Chairman), Shelly Orsak, Liz Broesche, Jack Headlee, Felicia Boykin, Amy Espinoza, and Garrison Schulze.

The Board of Directors charges the Credit Committee with the responsibility of approving or disapproving designated loan applications from members. The loan policies established by the Board of Directors serve as guidelines for the Credit Committee in the loan review.

Actions of the 2024 Credit Committee were as follows:

	Number of Loans	% of Total Loans	Loan Reviewed Dollars	Loan Approval Dollars
Loans Approved	12	100%	\$200,671.75	\$200,671.75
Loans Denied	0	0%	\$0.00	
<u>Counteroffers</u>	<u>0</u>	<u>0%</u>	<u>\$0.00</u>	<u>0.00</u>
Total Loans Reviewed	12	100%	\$200,671.75	\$200,671.75

The Credit Committee members would like to thank the Credit Union Staff: Wendy Frazier, Chelsea Lozano, Scot Mertz, and Larry Tyler for their experience and commitment throughout the year. We commend the staff for their constant dedication to the GCU members.

Thanks to the Board of Directors for their ongoing support and trust they put in the Credit Committee members.

Thank you to the Credit Committee members for volunteering their time to Germania Credit Union and the GCU members.

Respectfully submitted,



Hayden Mierl, Chairman  
Credit Committee

## REPORT OF THE MARKETING COMMITTEE

The Marketing Committee members for 2024 consisted of Cheyanne Lehrmann, Christina Marinis, Christine Devine, Kim Kaliszewski, Lindsey Fricke, and Krista Sander (Chairperson).

The purpose of the Marketing Committee is to assist the staff in increasing membership, loans, member services and make planned events operate effectively. In the year 2024, the membership was 2,590.

The 38<sup>th</sup> Annual Meeting of Germania Credit Union was held in-person and virtually via zoom on March 26, 2024. A lunch of chicken spaghetti and/or beef spaghetti with salad, bread and cookies was served to members who attended in-person. At the meeting, members were given the opportunity to vote for the GCU Board of Directors using a Qualtrics link online or by scanning a QR code available at the meeting. The GCU Annual Report was posted online on the public website (Menu, Disclosures, Documents Available to Members) and additionally, copies of the report were physically available for members who attended the meeting in-person. Members who attended the meeting were eligible to enter a drawing and four random winners received a \$25 Visa gift card.

International Credit Union Day was celebrated on October 17, 2024, with popcorn served in the GCU lobby throughout the day.

Respectfully submitted,

*Krista Sander*

Krista Sander  
Marketing Committee Chairperson

## REPORT OF THE ASSET LIABILITY MANAGEMENT COMMITTEE

The Asset Liability Management Committee (ALCO) met each month during 2024. The 2024 ALCO members were Wendy Frazier, GCU President; John Trostle, GCU Board Chairman; Liz Broesche, GCU Board Vice Chairman; Hayden Mierl, GCU Board Treasurer; and Scot Mertz, GCU Accounting Manager. Regular agenda items for these monthly meetings included:

- Review and analysis of financial and regulatory ratios of GCU's financial reports
- Review and analysis of loan and share change activity
- Review and analysis of investment activity
- Set member CD and money market rates
- Recommend loan and regular share dividend rates to the GCU Board

The ALCO, GCU Board, and GCU employees take our responsibility to protect member's assets very seriously and appreciate the opportunity to serve the membership. Thank you for your continued belief in the credit union concept as well as the Germania Credit Union.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Hayden Mierl", with a stylized flourish at the end.

Hayden Mierl, Chairman  
Asset Liability Management Committee

## **REPORT OF THE NOMINATING COMMITTEE**

The 2024-2025 Nominating Committee, as appointed by the Board of Directors, consists of Kim Kaliszewski, Linda Oberhoff, and Chairman Rose Stein. The Committee nominates John Trostle, Hayden Mierl, and Howard Tomlinson to fill the three full-term vacancies on the Board. Each candidate has been contacted, and each candidate has expressed their willingness to serve.

### **Hayden Mierl**

Hayden Mierl graduated from the University of Texas at Austin with a BBA in Finance in 2016. He started his career at Germania Insurance eight years ago. He is an Actuarial Manager where he leads various initiatives in the actuarial department, including rate changes and estimating reserve liabilities. Hayden is a credentialed Fellow of the Casualty Actuarial Society and a member of the American Academy of Actuaries. He is a member of the local Pickleball Club and can be found on the courts practicing his 3<sup>rd</sup> shot drops. He has served in various roles for the Germania Credit Union (GCU), including Chairman of the Credit Committee, member of the Asset and Liability Committee, board member, Vice Chairman, Secretary, and is the current Treasurer of the board. Hayden is seeking re-election to the GCU board of directors.

### **John Trostle**

John Trostle has been with Germania for 18 years and is currently a Server Systems Engineer. He also serves on GCU's Audit Committee. John is a graduate of Blinn College and Texas State University. John is President of the local Noon Lions. John would be honored to serve on the GCU board of directors for another three-year term.

### **Howard M. Tomlinson III**

Howard M. Tomlinson, III was employed with Germania for 22 years until his retirement in 2023. He served on the GCU Board of Directors for 12 years while employed with Germania. Howard is excited to have the opportunity to serve again on the GCU board of directors.

Respectfully submitted,



Rose M. Stein, Chairman  
Nominating Committee





*Helping members achieve financial success by financing their  
dreams and helping them save for the future.*

