1938-2018

80 YEARS STRONG!

AUGUST 25 1938

One Saturday afternoon in July of 1938, a group of City of Sioux Falls employees held a meeting in the Commissions Room to discuss forming a Credit Union with state director Ken Robertson. It was decided that the 10 Charter Members would each pay $5.00 to purchase a charter and thus on August 25, 1938 **Sioux Falls Municipal Employees Federal Credit Union was officially born**. The Credit Union originally conducted business out of a closet in City Hall utilizing a cigar box as a cash drawer.

AUGUST 1 1973

Sioux Falls Municipal Employees Federal Credit Union changed its' name to **Sioux Empire Federal Credit Union**.

AUGUST 1978

After many years of doing business from the Court House Plaza, the Credit Union was large enough to expand into an office at **500 North Western Avenue** in August of 1978, which they shared with the South Dakota Credit Union League.

NOVEMBER 30 1989

Sioux Falls Milwaukee Employees Federal Credit Union becomes a part of Sioux Empire's family through a merger.

SEPTEMBER 27 1993

Tired of moving from place to place, paying rent, and in general, "making do", Sioux Empire Federal Credit Union opened the **North Branch** at 901 North West Avenue. Also in 1993, **Jeff Jorgensen** became the President of the Credit Union and still serves in that role today! Thank you for 28 years!



SEPTEMBER 1996

Sioux Empire FCU makes it's first jump to the East side of Sioux Falls by opening the then **East Branch** at 4701 East 26th Street.

JULY 1 2000

Sioux Empire Federal Credit Union formally merges with **Sioux Falls VA Federal Credit Union** to provide full service to all members at three Sioux Falls branches. Through the merger, **Bill Trudeau** joined our staff and continues to lead the IT department 18 years later!

OCTOBER 22 2003

The Board of Directors officially accepts the **Community Charter** outlining the Field of Membership for Sioux Empire Federal Credit Union. To be an eligible member, a person must live, work, worship, or attend school in Lincoln, Minnehaha, McCook, or Turner Counties in South Dakota. Family members of those persons are also eligible.

JANUARY 2004

CU Mortgage Direct, LLC is created. The mortgage CUSO (Credit Union Service Organization) offers a wide array of mortgage products to suit the needs and desires of every lifestyle. CU Mortgage Direct, LLC originally was located at 109 South Main Avenue. Today, our mortgage partners call the 2nd level of the Southwest Branch home and have select staff officed at other locations throughout the state of South Dakota.

APRIL 11 2005



The **Southwest Branch** at 5010 South Solberg Avenue opens for business, with Saturday hours.

MAY 2006

Sioux Empire FCU welcomes **Dakota Financial Services, Inc.** to the Southwest Branch. Today, under a refreshed name, **DFS Insurance**, four agents call the Credit Union home. Ryan Karst, Sarah Johnson, and recently added Medicare specialist Dan Altenburg, are located at the Southwest Branch. Nate Helland offices out of the East Branch.

AUGUST 1 2013

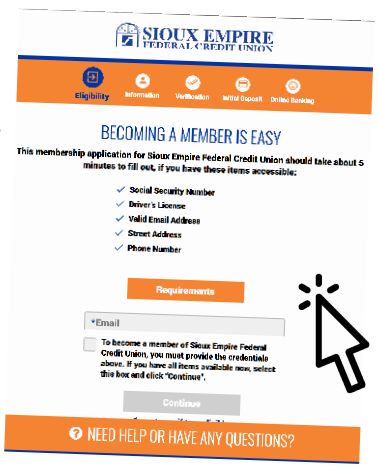
The **East Branch** relocates a bit South to 3400 South Sycamore Avenue.

SEPTEMBER 1 2015

The **Member Service Center** opens! The MSC, as it's affectionately known, is an internally staffed call center that gives members the benefit of contacting the Credit Union through multiple channels such as phone, online chat, or text message for assistance and information.

JUNE 2 2017

MOP goes lives on www.siouxempirefcu.org. MOP, **Membership Opening Process**, allows membership to Sioux Empire Federal Credit Union to be established and funded completely online. Today, members can also electronically sign documents and minimize the need to sign membership or loan documents in person.



AUGUST 25 2018

Sioux Empire Federal Credit Union will celebrate their **80th Birthday**! We have been embracing the cooperative principles to best serve members for the last 80 years, and are looking foward to 80 more!

CHAIRMAN'S REPORT

Congratulations fellow owners of Sioux Empire Federal Credit Union and welcome to the 80th Annual Meeting of our cooperative organization. As I was preparing for this event, I had to remind myself, like you, I am an owner but what am I doing as an owner to ensure continued success? If I were to look at Sioux Empire Federal Credit Union as a sole proprietor, I would own some nice properties, I'd have excellent staff, I would have a strong marketing plan and be very visible in the market. I would work hard to grow the business and develop new customers. I would have great products and manage the organization as efficiently as possible to ensure enough revenue is generated to adequately pay the Team members what they deserve, have enough left over to reinvest in the facilities to make sure they remain appealing and functional, plus invest in current technology that is safe, secure and user friendly. Right now, all the above attributes of a successful business are in place and we are all fortunate to be the owners.

Basic business economics 101 teaches us that we only have two options to succeed in our business and these would be applicable to our business regardless if it's running our home, a for-profit operation, or like Sioux Empire Federal Credit Union, a non-profit that we own:

#1 increase our revenue and #2 decrease our costs

As owners we must ask ourselves, what are each of us doing to grow our business? How many of us are even aware of all the products and services available to us at our business (Sioux Empire Federal Credit Union). How many are **we** using? Have you ever looked at and considered increasing the services you use? When was the last time you invited other members of your family, friends, or neighbors to use our services?

You might be thinking, what's his point? We have nice facilities, great staff, and great eye-catching marketing. We are a recognizable entity in the financial sector with almost 10,000 members and assets over 110 million. What I'm thinking is sustainability. When you plant a tree, you fertilize it, water it, and prune when necessary. The business we own is no different -- we need to fertilize, water and prune it at times to ensure it continues to grow to remain strong.

As Chairman of our Board of Directors, I can tell you your Board is very cognizant of the costs of doing business and continually scrutinizes the expenses staff bring for approval to ensure we are getting the most bang for our buck. However, to maximize revenue, all of us have an opportunity to grow our business. I would ask each of you to refresh your knowledge of the services we offer and when the opportunity presents itself, ask your family, friends and neighbors to join us and own a Credit Union, the Sioux Empire Federal Credit Union.

Please do not hesitate to contact the Credit Union. Drop us an e-mail or call your Member Service Center with ideas you have for possible new programs you think we should consider or perhaps old programs we should discontinue. Or even better yet, consider serving your fellow members in a volunteer capacity -- perhaps on the Supervisory Committee or as one of the Directors.

On behalf of all your Sioux Empire Federal Credit Union Board of Directors, thank you for a great 80 years and a successful past year.

Respectfully Submitted,
Ken Giegling, Board Chairman, Sioux Empire Federal Credit Union

BOARD OF DIRECTORS

Ken Giegling
Mike Markstrom
Linda Hoeck
JoAnne Bechtold
Robin Dykstra
Paul Buriak
Connie Byrne-Olson



YOU'RE INVITED TO BECOME A CREDIT UNION VOLUNTEER!

Our Credit Union thrives on the voice of our members. When you volunteer on the Board of Directors or Supervisory Committee, you are empowering the nearly 10,000 members in our organization to be decision makers in growth, strategy, and development.

If you'd like to learn more, visit the Volunteer portion of our website, or chat with an employee or current volunteer today!
It's easy to become involved!

PRESIDENT'S REPORT

While it is common to wax poetically about all our successes at events such as this, our 80th Anniversary, I will not devote my entire report it. As I look back upon my 28-year career here (we were celebrating our 62nd Anniversary the year I started), it has been the most fun to reminisce about the people we have helped to:

- finance a wedding
- adopt a child
- take a dream vacation
- pay for their post-secondary education
- purchase a home (1st, 2nd, 3rd, or even a vacation home)
- consolidate medical bills
- open their first checking account
- start a savings plan
- create an emergency fund
- obtain their first credit and/or debit card
- shop and save on their auto/home/life insurance.

It has become very clear to me that our Credit Union was not formed to purely solve just a financial need in people's lives, but to offer a relationship-based solution to financial needs. Even with all the technological capabilities of conducting financial transactions electronically and remotely, an amazing number of members still choose to physically come see us to conduct their transactions. We love it when we get the opportunity to visit with you face-to-face!

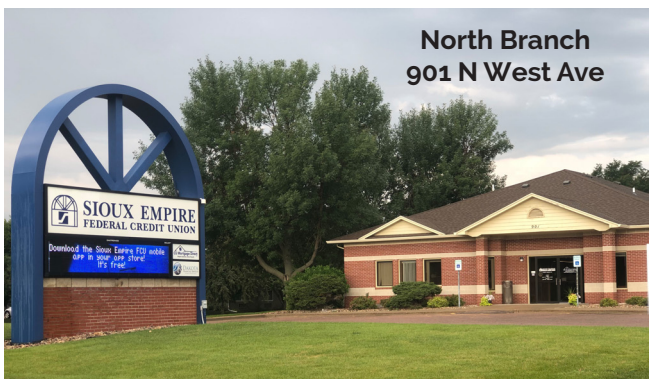
All our Member Service Representatives have those certain members who will wait in line to see **just** them, or will wait to talk to **just** that one Member Service Officer, even though another one may be immediately available. Why would members do that? It is a relationship-based reason, not a financial-based reason. We get that, and we are trying to keep that in mind every time we serve you, even when it may be on the telephone or via our mobile app or via our online chat.

Thank you for building relationships with your Credit Union, not only to fill a financial need, but to foster a better way, one built upon relationship-based solutions.

Please stop by any of our three convenient locations, we are glad to see you walk in the door!

Jeff Jorgensen
President







SUPERVISORY COMMITTEE REPORT

FINANCIAL STATEMENT - CONSOLIDATED & AUDITED

ASSETS	2017	2016
CASH & CASH EQUIVALENTS	$16,711,224	$16,240,816
INTEREST-BEARING DEPOSITS WITH OTHER FINANCIAL INSTITUTIONS	$18,148,000	$14,913,000
LOANS - NET	$61,144,656	$58,958,544
LOANS HELD FOR SALE	$3,438,527	$3,467,391
PREMISES & EQUIPMENT, NET	$3,438,527	$3,471,254
OTHER ASSETS	$2,782,483	$2,633,840
TOTAL ASSETS	$105,663,417	$99,684,845
LIABILITIES		
MEMBERS' SHARES AND SAVINGS ACCOUNTS	$94,501,262	$89,159,295
WAREHOUSE LINE OF CREDIT	$0	$0
OTHER LIABILITIES	$1,007,319	$689,854
TOTAL LIABILITIES	$95,508,581	$89,849,149
MEMBERS' EQUITY		
REGULAR RESERVE	$1,159,632	$1,159,632
EQUITY ACQUIRED IN MERGER	$569,620	$569,620
UNDIVIDED EARNINGS	$6,575,584	$6,256,444
TOTAL SEFCU MEMBERS' EQUITY	$8,304,836	$7,985,696
NON-CONTROLLING INTEREST	$1,850,000	$1,850,000
TOTAL EQUITY	$10,154,836	$9,835,696
TOTAL LIABILITIES & MEMBER EQUITY	$105,663,417	$99,684,845

INCOME STATEMENT - CONSOLIDATED & AUDITED

	2017	2016
TOTAL INTEREST INCOME	$3,174,266	$2,918,540
TOTAL INTEREST EXPENSE	$(172,167)	$(153,100)
NET INTEREST INCOME	$3,002,099	$2,765,440
PROVISION FOR LOAN LOSSES	$(230,500)	$(134,000)
TOTAL NON-INTEREST INCOME	$4,349,575	$4,655,398
TOTAL NON-INTEREST EXPENSE	$(6,695,534)	$(6,577,287)
NET NON-INTEREST EXPENSE	$(2,345,959)	$(1,921,889)
DIVIDENDS ON NON-CONTROLLING INTEREST	$(106,500)	$(104,285)
NET INCOME	$319,140	$605,266

We are pleased to present to you the 2017 Sioux Empire Federal Credit Union Financial statements prepared by Eide Bailly, LLP. The auditors have issued an unqualified Independent Auditor's Report on the statements of financial condition and related statements of income, members' equity and cash flows for the Credit Union as of and for the years then ending December 31, 2016 and 2017.

The Supervisory Committee has reviewed the report, financial statements and notes and is satisfied with its completeness. The Independent Auditor's Report gives us continued confidence that the Credit Union's operations are sound and that our business is conducted in a proper manner.

The Supervisory Committee employed an external consultant to review the Credit Unions compliance with the requirements of the Bank Secrecy Act (BSA) for the period of January through December 2017. We are satisfied that management is complying with all aspects of the BSA.

Robin Dykstra
Supervisory Committee Chairman

SUPERVISORY COMMITTEE
Robin Dykstra
Bob Harrison
Tofan Ashraf
Sylvia Smith

COOPERATIVE PRINCIPLE SPOTLIGHT: CONCERN FOR COMMUNITY

Traditionally, Concern for Community comes in at number seven in the listing of the 7 Cooperative Principles. However, no matter where this principle is listed, it is a core element of the Credit Union foundation.

What does the 7th Principle mean to us? It means we take our commitment to investing in the communities we serve very seriously. We annually support many non-profit groups, local events and more in our community and are continually adding new ways to our list of opportunities to give back. In addition to giving monetary support, we also donate volunteer support, time and other resources to events and organizations whose goals and objectives are similar to those of our organization. We are professionals in "paying it forward" – we do the work that needs to be done to make our communities a better place to live, work, and worship.

This year, as we celebrate our 80th Birthday, our staff and volunteers have boosted our community efforts to an entirely new level. Our R.O.C.K. (Received Our Care & Kindness) program has produced outstanding ways to support Sioux Falls and the surrounding communities. Individual gestures of staff member and volunteer kindness have been displayed including delivering Easter flowers to a stranger, having coffee with someone who was having a trying day, jumping a car, and many more! We're constantly delighted by the outpouring of generosity from these actions and are looking forward to all the R.O.C.K.s still to come in 2018.

We encourage you to take a look at the photos surrounding this article which showcase a few of the individual actions and group efforts that demonstrate the concern for community Sioux Empire Federal Credit Union proudly exhibits.

Throughout this past year, we expanded our culture of caring by serving with and for the following organizations:

Adopt-a-Highway
The Banquet of Sioux Falls
Big Brothers Big Sisters
Feeding South Dakota
Guardians of the Children, Big Sioux
Junior Achievement
Kids Against Hunger
Kiwanis Club of Sioux Falls
Lutheran Social Services
National Kidney Foundation
Outdoor Adventure Foundation
REACH Literacy
Center for Hope, Sharing Christmas
Sioux Empire United Way
Sioux Falls Area Humane Society
VFW of South Dakota









MINUTES OF THE 79TH ANNUAL MEETING

The seventy-ninth Annual Membership Meeting of the Sioux Empire Federal Credit Union was held on July 20, 2017 at the Ramkota Hotel & Convention Center in Sioux Falls, SD.

After the plated dinner and social time, Jay Kruse, the VP of Government Affairs for the Credit Union Association of the Dakotas, gave a presentation on the state of Credit Unions in the Dakotas and nationally.

CALL TO ORDER:
Chairperson Giegling called the meeting to order at 7:10 PM.

MOMENT OF SILENCE:
Chairperson Giegling asked for a moment of silence to honor all the members and Credit Union leaders that have passed away.

MINUTES:
The minutes of the seventy-eighth Annual Membership Meeting were approved as printed on a motion by Rita Branson, seconded by Crystal Bach. Motion carried with no dissenting votes.

REPORTS:
Chairperson Giegling introduced the printed reports and encouraged everyone to review them. He then reviewed his report and highlighted his comments, drawing special attention to the continued focus on increasing membership and spreading the Credit Union message. Supervisory Committee Chairman Dykstra stated the Committee had retained Eide Bailly to perform the necessary audit and the committee is pleased with how the Credit Union is run and how sound it is. A motion was made by Charles Meyer, seconded by Kristine Shaffer to approve the reports as presented. Motion carried with no dissenting votes.

NOMINATING COMMITTEE & ELECTION RESULTS:
Committee Chairperson Dykstra gave the Nominating Committee's Report on behalf of the committee. He reported that there were three (3) board positions open this year: Giegling's, Markstrom's and Bryne-Olson's. All incumbents were willing to rerun. As no other candidates petitioned for placement on the ballot, and no nominations from the floor are accepted, all three (3) candidates are thereby elected by unanimous ballot. A motion was made to accept the election results by Bob Himrich, seconded by Jackie Obeslo. Motion carried with no dissenting votes.

UNFINISHED BUSINESS: None

NEW BUSINESS:
Chairperson Giegling asked President Jorgensen to read and address any input, feedback, or questions as submitted via the cards placed at every table at the beginning of the evening.

Seven (7) cards were presented: Two members inquired about additional branches and/or locations. Jorgensen answered there is no plan for another brick 'n mortar location but we are seriously considering deploying an ITM at the VA Hospital. He also commented that our new product $napCheck would be a logical alternative for a member to use if they needed to make a deposit. One member asked about free faxing for Platinum members. YES. it is offered! One member asked about HSAs (Health Savings Accounts). Jorgensen replied that it is unlikely we will be offering them in the near foreseeable future, but we are monitoring the ongoing health insurance discussions in Congress as the decisions they make could draw attention to HSAs and increase the consumer demand for them. We would certainly reconsider if the demand warrants updating our product offerings. One member asked about Apple Pay. Jorgensen reported that we investigated it in-depth when it first rolled out and the initial rollout fee and ongoing per transaction cost was so excessive that we would not find a logical way to justify it, but we do regularly monitor these products, and other "pay" programs for possible inclusion in our offerings. The final member question asked about our 5-year net income growth expectations and what will we do differently to meet that expectation. Jorgensen spoke to the business philosophy of the Credit Union of not being driven by net income, but by service and member needs. As a member-owned co-op, we do not owe money to any external stockholders, so driving everything we do based on net income is not a cooperative's basic business premise. He did discuss the "need" for net income, but not as the driving factor in the Board Room.

AWARDS:
President Jorgensen requested the following staff members to come forward and be recognized for their years of service:

3 years: Teena Frederick, Karen Seibert, Ryan Yorke
5 years: Patrick Gross, Brittany Petersen
15 years: Tiffany Dossett

ADJOURNMENT:
With no further business, Chairperson Giegling adjourned the business meeting at 7:55 PM.

DOOR PRIZES:
The Credit Union staff conducted drawings for several door prizes!

Ken Giegling, Chairperson
Linda Hoeck, Secretary
Jeff Jorgensen, Recording Secretary

LONGEVITY AWARDS

3 YEARS



Clockwise from top left: Liz Albers, Sidney Frey, Rollie Steck, Sandra Sieg



L to R: Leyla Osman, Tangee Kokenge, Kathy Sebesta

5 YEARS





Adam Kleinsasser, Patty Kleinsasser

15 YEARS



Cathy Dannen

Adam Kleinsasser, Member Service Officer II
Alayna Johnson, Vice President
Ambyr Raymond, Member Service Officer
Becky Hernandez, Member Service Representative
Beth Meyer, Branch Manager
Bill Trudeau, IT Systems Manager
Brenna Randolph, Member Service Representative
Brittany Bowar, Member Service Representative
Brittany Petersen, Branch Manager
Cathy Dannen, Member Service Officer III
CJ Johnson, Member Service Representative
Debra Dixon, Mortgage Loan Officer
Emily Fossum, Member Service Representative
Jeanette Emerick, MSC Supervisor
Jeff Jorgensen, President
Karen Seibert, Branch Manager
Kathy Sebesta, MSC Agent

"MAY YOU BE PROUD OF THE WORK YOU DO, THE PERSON YOU ARE, AND THE DIFFERENCE YOU MAKE."

Kaylene Bultena, MSC Agent/Member Service Representative
Leyla Osman, MSC Agent
Liz Albers, Member Service Officer
Michael Van Driesen, IT Systems Specialist
Mitch Staples, Accounting Supervisor
Nancy Ballieu, MSC Agent
Patty Kleinsasser, Member Service Representative II
Rollie Steck, Accounting Specialist
Ryan Yorke, Member Service Representative III
Sandra Sieg, Project and Risk Management Director
Sarah Velasquez, Member Service Representative
Scott Christie, Member Service Officer II
Sidney Frey, Marketing Specialist
Tangee Kokenge, Loan Recovery Specialist
Teena Frederick, Receptionist
Tiffany Dossett, Branch Services Manager
Trista Nachtigall, MSC Agent

MISSION STATEMENT

Our mission is to empower our membership to make financial decisions to achieve their dreams.

VISION STATEMENT

Our vision is to be the financial resource of choice in our community.

EAST BRANCH
3400 S SYCAMORE AVE
LOBBY: 9:00-5:00 M-F
DRIVE-UP: 7:30-5:30 M-F
SAT. LOBBY & DRIVE-UP: 9:00-12PM

NORTH BRANCH
901 N WEST AVE
LOBBY: 9:00-5:00 M-F
DRIVE-UP: 7:30-5:30 M-F

SOUTHWEST BRANCH
5010 S SOLBERG AVE
LOBBY: 9:00-5:00 M-F
DRIVE-UP: 7:30-5:30 M-F
SAT. LOBBY & DRIVE-UP: 9:00-12PM

MEMBER SERVICE CENTER
7:30AM-6PM M-F, 9AM-12PM SAT
VOICE: 605.367.7070
TEXT/VIDEO: 605.799.6640
MSC@SIOUXEMPIREFCU.ORG
LIVE CHAT

VISIT US ONLINE, ANYTIME AT WWW.SIOUXEMPIREFCU.ORG!