

ANNUAL MEETING

October 22, 2020

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MFCU

Muncie Federal Credit Union

MUNCIE FEDERAL CREDIT UNION
85th ANNUAL MEETING AGENDA
October 22, 2020

- A. Greeting by Board President, Gary Addison.
- B. Roll Call (Written)
- C. Secretary's Report/Minutes from April 2019 Meeting – Brice Miller, Secretary
- D. President's Report – Gary Addison, President
- E. Treasurer's Report – Vernon Reese, Treasurer
- F. Supervisory Committee's Report – Jennifer Dudley, Chairperson
- G. Introduction of Employees – Donna L. Etchison, Chief Executive Officer:
 - Sandy Holliday, Office Operations & Accounting
 - Linda York, Loan & Collection Officer
 - April Townsend, Member Services Representative
 - Thom Horton, Member Service Representative
- H. New Business for 2020 – (Non-Election)
- I. Elections for 2020:
 - 1. Nominating Committee's Report
 - Members for Nomination: (3-year term)
 - a. Gary Addison
 - b. John Rainey
- J. Adjournment by Board President

*Fifteen members shall constitute a quorum for the Annual Meeting.

The next regular meeting of the Board of Directors will be held on October 28, 2020

MUNCIE FEDERAL CREDIT UNION

April 25, 2019

Minutes of the 84th Annual Membership Meeting

The 84th Annual Meeting was called to order by Gary Addison, President, in the Creative Arts Center on the 25th day of April 2019 at 5:03 P.M.

Gary Addison started the meeting by welcoming all members and guests for their attendance. He thanked the membership for their support and the board members for their volunteer service on behalf of the members. Gary praised the staff for their hard work on improving, updating, and beautifying the Muncie Federal Credit Union. He thanked Donna Etchison for her continued leadership in making the credit union successful. Gary has enclosed the President's Report to the membership on the following page.

The board members were introduced, and a written roll call of the Board of Directors was conducted showing the following members present:

Gary Addison	Tracy Fruitt	Jennifer Dudley
John Rainey	Vernon Reese	Brice Miller

The minutes of the meeting on April 18, 2019 were presented in the Annual Report. Members were given time to read and review the information. Rosemary Martin moved to approve the minutes and Harrison Martin seconded. The motion was approved by the membership.

The Treasurer's Report was presented by Vernon Reese. He reported that the Muncie Federal Credit Union ended the 2018 year with a net profit of \$26,894.32. This was an increase of \$11,713.02 from 2017. Total Assets are \$12,035,685.86. Our net worth remained strong, increasing to 13.43%. Duane Richmond moved to accept the Treasurer's Report. Harrison Martin gave the second. The motion carried.

Jennifer Dudley, Supervisory Chairperson, provided a report explaining her committee's role within the MFCU. She thanked committee members Kristi Knapp and Ben Wrasman for their expertise in monitoring money totals, loan activities, and other internal procedures. The membership was informed that an audit was conducted in June 2018 resulting in many improved areas for the MFCU.

Donna Etchison introduced her staff and the number of years employed at the Muncie Federal Credit Union. Linda York, loan officer and teller, has served ten years. Sandy Holiday, loan officer and teller completed two years. Cin-Quea (Shay) Pegues has worked two years as a teller and April Townsend has been a teller for two years.

There was no Old Business.

Elections:

1. Three board members are up for election. Gary Addison shared that Vernon Reese, Tracy Fruitt, and Sue Parkinson agreed to continue serving the MFCU for another term. Duane Richmond made the motion to nominate these three board members for re-election. Rhonda Gibon seconded and the motion carried.

No New Business:

No new business was presented for 2019. Upon completion of the business meeting ten- \$25.00 gift cards, six gold coins for the young attendees, and a television were presented to the following members:

WINNERS

Dwon Miller	IHOP
Sandy Holliday	Red Lobster Inn
Lyle Heath	Texas Roadhouse
Tom Hemminger	Applebee's
Cathy Jo Zimmerman	Ruby Tuesday's
Vernon Reese	Bob Evan's
JoAnn Rainey	Outback Steakhouse
Gwen Carey	Panera Bread
Kyle McCollum	Olive Garden
Joyce Strahan	Chili's
Daidra Pryor	Television

Jennifer Dudley moved to adjourn the meeting and a second was given by Tracy Fruitt. The motion was unanimously accepted. Gary Addison, President adjourned the meeting at 5:30 P.M.

Brice Miller

Brice Miller, Secretary

Gary Addison

Gary Addison, President

A Special Meeting of the new Board of Directors was held to elect officers directly after the Annual Meeting. Jennifer Dudley moved that all board members continue their present assignments for another term. Tracy Fruitt seconded and the motion passed. The meeting was adjourned at 5:42 P.M. by President Gary Addison.

October 22, 2020

To Our Valued Members:

On behalf of the board, I wish to thank you for your membership and your continued business with Muncie Federal Credit Union. This is your credit union, and it is our goal to always be your best source for products, services, and advice to meet your financial needs.

You should be proud of your board and the great amount of volunteer time they dedicate to providing vision and leadership while setting policies that keep MFCU operating efficiently. Please thank them for their service. Our board includes Gary Addison, President; John Rainey, Vice-President; Brice Miller, Secretary; Vernon Reese, Treasurer; and members Jennifer Dudley, Tracy Fruitt, and Sue Parkinson.

2020 has been a challenging year with new opportunities thanks to the Global Pandemic that has affected our entire world. This has brought changes to our operations, however our commitment to serving the members has not changed. Our Lobby is now available by appointment only. We have added a third drive-up and are closing the drawer drive up window. This will free that lane up for the ATM and Night-Drop. With the additional drive-up lanes available for your use we are still able to accommodate you, our members efficiently. It is times like these that show the value and strength of our Credit Union for you our members. We are here to help maintain your financial stability through these troubling times.

Our board is proud of our small, but capable staff that are here to serve you daily. Without them, we could not provide the services you enjoy. Please thank them for their efforts on your behalf...CEO Donna, Sandy, Linda, April, and Thom.

No matter what your financial services needs might be in the future – check with the place where you belong – Muncie Federal Credit Union – your one-stop source for all your financial needs. Enjoy the many advantages of membership.

Thanks again for your business and your support.

Gary Addison

Gary Addison, President
Muncie Federal Credit Union

Muncie Federal Credit Union

2020 Annual Meeting

Treasurer's Report

The credit union ended 2019 with a net profit of \$28,909.42 an increase from 2018 of \$2,015.10. Total Assets are at \$11,841,977.64. Our net worth remained strong, increasing to 13.89%.

Operating expenses for 2019 are listing below:

- Wages & Benefits \$ 234,319
- Office Occupancy \$ 40,130
- Office Operations \$ 106,684
- Marketing \$ 16,384
- Professional Services \$ 27,059
- Loan Servicing \$ 29,433
- Provision for Loan Loss \$ 2,276
- Dividends \$ 32,393
- All other Expenses \$ 14,016

Loans have remained steady, and the total loan portfolio continues to get healthier. As the Credit Union continues to experience maintenance and other expenses, we have been able to increase profits while maintaining competitive dividend rates and lowering or eliminating many fees that were paid by you the membership.

On behalf of the Board of Directors, thank you to our membership for your continued support of Muncie Federal Credit Union. It is our goal to provide courteous service for your banking needs in a very competitive financial society, so we become your one stop financial institution.

Sincerely,

Vernon Reese

Vernon Reese, Treasurer
Muncie Federal Credit Union

Muncie Federal Credit Union Statement of Financial Condition December 31, 2019				Muncie Federal Credit Union Income Statement December 31, 2019			
<u>Assets</u>	12/31/2019	12/31/2018	Change				
Loans (p.2)	5,204,556.76	5,232,115.35	(27,558.59)				
Allowance for Loan & Lease Losses (p.2)	(59,926.00)	(55,569.90)	(4,356.10)				
Net Loans	5,144,630.76	5,176,545.45	(31,914.69)	Income:	YTD	Budget YTD	Variance
Cash on Hand (p.1)	72,924.65	119,646.35	(46,721.70)	Loan Income	279,960.49	311,578.00	(31,617.51)
First Merchants (p.1)	-	3,738.87	(3,738.87)	Investment Income	141,636.59	150,594.00	(8,957.41)
Alloya (p.1)	400,793.17	214,336.97	186,456.20	Fee & Other Operating Income	110,007.21	125,000.00	(14,992.79)
Alloya Capital Deposit (p.1)	15,366.00	15,366.00	-	Expenses:	531,604.29	587,172.00	(55,567.71)
Certificates of Deposits (p.1)	5,677,010.00	5,997,000.00	(319,990.00)	Employee Compensation & Benefits	234,319.42	229,000.00	5,319.42
NCUSIF Deposit (p.2)	103,981.35	116,252.46	(12,271.11)	Travel & Conference	1,567.48	2,200.00	(632.52)
PSCU Investment (p.2)	3,499.00	3,049.00	450.00	Association Dues	8,467.90	9,868.00	(1,400.10)
Allowance for Investment Loss	-	-	-	Office Occupancy	40,129.88	42,000.00	(1,870.12)
Net Investments	6,200,649.52	6,349,743.30	(149,093.78)	Office Operations	106,684.25	108,000.00	(1,315.75)
Land & Building (p.2)	321,444.02	294,688.97	26,755.05	Marketing & Promotional	16,383.89	19,000.00	(2,616.11)
Other Fixed Assets (p.2)	58,275.79	54,694.22	3,581.57	Loan Servicing Expenses	29,433.49	38,000.00	(8,566.51)
Accrued Interest on Loans (p.2)	11,979.51	12,786.95	(807.44)	Professional/Outside	27,058.61	25,000.00	2,058.61
Accrued Interest on Investments (p.2)	15,819.85	16,330.98	(511.13)	Provision for Loan Losses	2,275.89	40,000.00	(37,724.11)
All other Assets (p.2, inc PSCU)	16,253.54	11,249.64	5,003.90	Operating Fees	3,037.39	3,400.00	(362.61)
Total Assets	11,841,977.64	12,035,685.86	(193,708.22)	Cash Over/Short	(103.08)	-	(103.08)
Liabilities & Equity				Interest on Borrowed Funds	104.43	-	104.43
Accounts Payable (p.3)	30,750.85	22,381.93	8,368.92	Annual Meeting	942.16	5,000.00	(4,057.84)
All other Liabilities	-	-	-	Misc	-	-	-
Total Liabilities	30,750.85	22,381.93	8,368.92	Dividends	32,393.16	42,000.00	(9,606.84)
				Net Income (Loss)	28,909.42	23,704.00	5,205.42
Equity							
Shares (p.3)	10,165,825.36	10,396,541.68	(230,716.32)				
Regular Reserves (p.4)	404,944.64	404,944.64	-				
Undivided Earnings (p.4)	1,240,456.79	1,211,817.61	28,639.18				
Total Equity	11,811,226.79	12,013,303.93	(202,077.14)				
Total Liabilities & Equity	11,841,977.64	12,035,685.86	(193,708.22)				
Net Worth	13.89%	13.05%					

	Number of Members	Number of Accounts
	1,389	1,559

Muncie Federal Credit Union 2020 Annual Meeting Supervisory Report

The role of the supervisory committee of Muncie FCU is to ensure that management's financial reporting goals have been met, as well as ensure that practices and procedures are in place to safeguard member's assets. In addition to periodic reviews of financial information and internal control policies and procedures periodically performed by the committee members, we annually engage an independent certified public accounting firm to perform procedures set forth by the NCUA's Supervisory Committee Guide. For the fiscal year ended June 30, 2019, Whiting & Company LLC performed the annual Supervisory Committee Audit. No significant findings affecting the safety and soundness of the credit union were noted as a result of those procedures.

In addition, the NCUA performed its regular examination for 2019. The supervisory committee reviews the results of the examination and follows up with management and the Board of Directors on any action items identified in the report.

In conclusion, the supervisory committee can report with confidence that the credit union is operating in a manner to maintain a high level of financial safety and soundness, while always striving to provide its members with excellent personalized service.

Respectfully submitted,

Jennifer Dudley

Jennifer Dudley,
Supervisory Committee Chair

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MFCU

Muncie Federal Credit Union