



2023 Annual Report



Agenda

- I. Call Meeting to Order
- II. Ascertain That a Quorum is Present
- III. Approval of May 27, 2022 Annual Meeting Minutes
- IV. Chairman & President's Report – Board Chair, Teresa Clingman-DeShaw
- V. Financial Statements
- VI. Audit Committee Report – Chairman, Mitzi Baker
- VII. Nominating Committee Report – Chairman, Jonathan Boyd
- VIII. Adjournment

Board of Directors, Audit Committee, & Senior Management

Board of Directors

- Teresa Clingman-DeShaw, Chair – Term Expires 2024
- Charlie Harris, Director – Term Expires 2023
- Charlotte Dunlap, Director – Term Expires 2025
- Juan Luna, Director – Term Expires 2025
- Mitzi Baker, Director – Term Expires 2025
- Steve Shockley, Director – Term Expires 2024
- Tom Finnie, Director – Term Expires 2023
- Jonathan Boyd, Director – Term Expires 2024
- Mark Friedman, Director – Term Expires 2023

Audit Committee

- Mitzi Baker, Chairman
- Tom Finnie
- Donna Neal
- Mark Williams
- Lezlie Veach
- Gene DeLeon
- Marcus Davis
- Stephanie Ramirez
- Skye Westlund

Executive Staff

- Chief Executive Officer, Donna Neal
- Chief Financial Officer, Mark Williams
- Chief Lending Officer, Lezlie Veach
- Chief Information Officer, Randy Stolp
- Chief Operating Officer, Gene DeLeon

Vice Presidents

- VP Consumer Lending, Dan Hendrix
- VP Human Resources, Donna James
- VP Accounting & Compliance, Marcus Davis
- VP Information Technology, Roger Mellor
- VP Operations Support, Stephanie Ramirez

Annual Meeting Minutes

May 27, 2022

The MCCU 70th Annual Meeting was called to order at 2:01 p.m. by Mark Williams, Chief Financial Officer. With a requirement of 25 members being present for a quorum, it was determined that a quorum was present.

All present were provided with a packet containing the minutes from the Annual Meeting held on May 21, 2021, the Chairman and President's Report, the M.C.C.U. Balance Sheet ending December 2021, the M.C.C.U. Income Statement ending December 2021, the Audit Committee Report, the Nominating Committee Report, a listing of our products and services offered at the credit union, and a listing of our 2022 M.C.C.U. Scholarship recipients and their accomplishments and plans for the future.

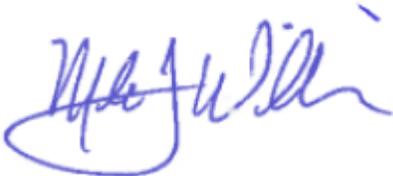
A motion was made by Mitzi Baker to approve the minutes of the Annual Meeting to be held on May 21, 2021. Motion was seconded by Angel Venegas and passed with no exceptions.

The Chairman & Presidents Report was presented by Mark Williams, Chief Financial Officer, along with presenting the Financial Statements, the Audit Committee Report, and the Nominating Committee Report. Motion was made by Marcus Davis to accept these 3 reports as presented and seconded by Morgan Monroe and passed with no exceptions.

Mark Williams, Chief Financial Officer, presented the 2022 M.C.C.U. Scholarship recipients to those in attendance stating this was our 15th year to present scholarships with over \$200,000 being given over the years. The 2022 recipients are:

1. Kylee Knapp
2. Ashlyn Gallegos
3. Selia Jimenez
4. Aleynah Alvarado
5. William Craft
6. Luke Ingram

With no further business, the M.C.C.U. Annual Meeting was adjourned at 2:08 p.m.



Mark Williams
CFO, Presiding Officer



Mitzi Baker
Secretary, Board of Directors

Chairman and President's Report

Year End results for 2022 were incredibly positive and reflect the significant effort from Management and staff. We ended the year with membership of 40,801 compared to 39,496 at year end 2021.

The results of 2022 are incredible and are a direct result of the conservative strategies put in place over the past two years. We saw businesses return to normal after government shutdowns in the previous two years. Our efforts over these past two years cut expenses by over \$2 million dollars and allowed us to remain profitable while others were not so fortunate. This allowed us to come out of the pandemic extraordinarily strong. In 2022 we hit a record net income for our credit union of \$5.9 million dollars. This is the highest income in our 70-year history as a financial institution. We also had record breaking loan originations originating more than \$200 million in loans for the year. We did this while enhancing our Collections strategies and thus reducing charge offs and delinquencies from the previous year. We continue to develop tools and strategies that ensure MCCU continues to be profitable and strong.

Below are some of our other important financial numbers:

	12/31/2022	12/31/2021	\$\$ Change	% Change
Loans	\$ 393,807,799	\$ 372,558,048	\$ 21,249,751	5.70%
Assets	\$ 470,769,056	\$ 459,209,063	\$ 11,559,993	2.52%
Deposits	\$ 416,392,672	\$ 411,340,269	\$ 5,052,403	1.23%
Charge Offs	\$ 1,952,058	\$ 2,683,088	\$ (731,030)	-27.25%
Members	\$ 40,810	\$ 39,496	\$ 1,314	3.33%

In 2022, we had the privilege to support many community activities in Allen and in the Permian Basin. Among them we supported the Allen ISD, The Alzheimer's Foundation, Junior Achievement, North Texas Food Bank, West Texas Food Bank, Children's Miracle Network, Make-a-Wish North Texas, Toys for Tots, Allen Community Outreach, Grateful Gratitude, Allen Public Safety and Recovery Fund and some of the MISD, ECISD, and Allen ISD booster clubs. We received the Business of the Year Award from the Allen Fairview Chamber of Commerce for 2022 for our many contributions to the community.

The year 2023 brings with it many challenges, the biggest of which is the implementation of CECL, which is a new Regulatory Requirement that requires us to reserve for losses differently than in the past. This is something we are well prepared for and that we have implemented successfully. We have a formidable team with strong analytic and management capabilities. We will remain strong financially with an excess of capital and the ability to continue to grow and be a valuable resource to our members and the communities we serve.

Thank you for your trust and confidence in us.

Respectfully submitted,



Donna K. Neal
President/CEO

Respectfully submitted,



Teresa Clingman-DeShaw
Board Chair

Balance Sheet

	Dec-22	Dec-21	Variance	Variance %
Assets				
Loans	393,807,799.04	372,558,048.35	21,249,750.69	5.70%
Allowance for Loan Losses	-1,769,840.78	-3,018,417.40	1,248,576.62	-41.37%
Accounts Receivable	1,751,439.80	1,394,709.69	356,730.11	25.58%
Cash on Hand	7,724,782.01	8,217,906.07	(493,124.06)	-6.00%
Investments	35,567,907.82	45,055,726.36	(9,487,818.54)	-21.06%
Prepaid Expenses	487,271.34	568,412.92	(81,141.58)	-14.28%
Land & Buildings	11,894,286.82	14,455,817.43	(2,561,530.61)	-17.72%
Other Fixed Assets	3,930,049.95	3,043,469.99	886,579.96	29.13%
Accrued Income	1,174,840.67	1,136,990.78	37,849.89	3.33%
All Other Assets	16,200,519.48	15,796,699.21	403,820.27	2.56%
Total Assets	470,769,056.15	459,209,363.40	11,559,692.75	2.52%
Liabilities				
Accounts Payable	2,709,197.60	2,441,480.83	267,716.77	10.97%
Borrowings	0	0	-	0.00%
Other Liabilities	1,441,758.85	3,669.01	1,438,089.84	39195.58%
Accrued Expenses	1,999,894.30	1,331,866.76	668,027.54	50.16%
Total Liabilities	6,150,850.75	3,777,016.60	2,373,834.15	62.85%
Regular Shares	201,564,638.37	189,277,029.56	12,287,608.81	6.49%
Checking Shares	141,774,424.64	143,836,870.28	(2,062,445.64)	-1.43%
Regular Certificates	50,604,722.44	65,570,085.59	(14,965,363.15)	-22.82%
IRA Shares & Certificates	12,018,318.73	12,656,283.94	(637,965.21)	-5.04%
Non-Member Certificates	10,430,567.61	0.00	10,430,567.61	#DIV/0!
Total Shares	416,392,671.79	411,340,269.37	5,052,402.42	1.23%
Regular Reserves	2,441,367.13	2,441,367.13	-	0.00%
Undivided Earnings	47,791,477.51	41,910,098.67	5,881,378.84	14.03%
Net Income	0	0	-	0.00%
Other Comprehensive Income	0	0	-	0.00%
Unrealized G/L Income	-2,007,311.03	-259,388.37	(1,747,922.66)	673.86%
Total Equity	48,225,533.61	44,092,077.43	4,133,456.18	9.37%
Total Liabilities & Equity	470,769,056.15	459,209,363.40	11,559,692.75	2.52%
Total Membership	40,810	39,496	1,314.00	3.33%

Income Statement

	Dec-22	Dec-21	Variance	Variance %
Income				
Income on Loans	19,184,079.86	18,422,825.07	761,254.79	4.13%
Income on Investments	461,999.71	89,239.68	372,760.03	417.71%
Fee Income	11,035,381.64	10,516,231.40	519,150.24	4.94%
Misc. Operating Income	954,264.04	603,859.55	350,404.49	58.03%
Misc. Non-Operating Income	229,124.35	89,261.72	139,862.63	0.00%
Total Income	31,864,849.60	29,721,417.42	2,143,432.18	7.21%
Expenses				
Compensation & Benefits	8,937,575.34	8,103,847.74	833,727.60	10.29%
Travel & Training	94,918.71	60,062.20	34,856.51	58.03%
Association Dues	69,143.82	28,642.27	40,501.55	141.40%
Office Occupancy	1,225,557.88	1,544,598.91	-319,041.03	-20.66%
Office Ops/Prof.Svcs	8,217,131.52	7,091,975.21	1,125,156.31	15.87%
Advertising & Promotions	218,119.29	119,698.64	98,420.65	82.22%
Loan Servicing	5,521,923.40	5,468,742.71	53,180.69	0.97%
Provision for Loan/Leases Losses	733,471.48	2,898,073.67	-2,164,602.19	-74.69%
Regulatory Exam Expense	39,912.33	37,515.67	2,396.66	6.39%
Cash (Over) and Short	1,556.08	51,449.68	-49,893.60	-96.98%
Interest on Borrowed Funds	152,733.50	66.79	152,666.71	228577.20%
Dividend Expense	1,085,706.54	1,241,600.53	-155,893.99	-12.56%
Operating (Gain) Loss	-314,279.13	-25,276.61	-289,002.52	1143.36%
Total Expenses	25,983,470.76	26,620,997.41	-637,526.65	-2.39%
NET INCOME	5,881,378.84	3,100,420.01	2,780,958.83	89.70%

Audit Committee Report

The Audit Committee is appointed by the Board of Directors from among the members of this Credit Union. This year's Committee members are Mitzi Baker – Chairman, Tom Finnie, Donna Neal, Mark Williams, Lezlie Veach, Gene DeLeon, Marcus Davis, Stephanie Ramirez, and Skye Westlund.

The Audit Committee is primarily responsible for ensuring that the financial condition of the Credit Union is accurately and fairly represented in the Credit Union's financial statements and that the Credit Union's management practices and procedures are sufficient in safeguarding members' assets. To accomplish their charge, the Committee is therefore responsible for making, or causing to be made, audits of operations and to see to the verification of members' accounts.

The Committee also assists in handling problems (legal and otherwise) that may arise with member accounts. Committee members are available to assist the Board of Directors and MCCU staff in routine and special requirements.

To assist the Committee in these duties, external audit firms are retained to perform the required annual Opinion Audit. The Credit Union also retains an Internal Auditor, resulting in numerous audits performed throughout the year in various MCCU functional areas. The annual audits by the outside auditors, and the Texas Credit Union Department audit team resulted in excellent reviews.

Respectfully submitted,



Mitzi Baker
Chairman, Audit Committee

Nominating Committee Report

The Chairman for the Nominating Committee for 2023 is Jonathan Boyd. There are two additional Committee Members: Mitzi Baker, and Juan Luna. The 2023 Slate of Board of Directors for the three expiring terms have been selected and the nominees are:

Mark Friedman

Mark Friedman is a Broadcast Professional with over 20 years' experience in the Dallas/Ft Worth market. He is the owner of FriedoNation, a company that produces podcasts for individuals, businesses and nonprofits. Mark has served as an Advisory Board Member on the My Community Board of Directors since 2021. Mark is extremely involved in the community and serves on many Boards and Committees including the Allen/Fairview Chamber of Commerce Board and the Stephan F. Austin State University Alumni Association. Mark has been very involved with Special Olympics in Allen as well as many other wonderful organizations in the communities where he lives and works. Mark has a Bachelor's Degree from Stephen F. Austin University in Economics.

Charlie Harris

Charlie Harris has lived in Midland since 1948. He has been an insurance agent since 1969. He and his wife, Nita, recently celebrated 57 years of marriage. They have 2 kids and 3 grandchildren, and 1 great grandchild! He has previously served as a board member of FEAPAC (Farmers Employees & Agents Political Action Committee), Spur Landing HOA in Cloudcroft NM, Midland-Odessa Life Underwriters, Westside Optimist Club, Manor Park of Midland, Crime Stoppers of Midland, Grandridge Park HOA, and My Community Credit Union. He originally served as a member of the Supervisory Committee for My Community Credit Union and moved to the Board of Directors in 2014.

Tom Finnie

Tom Finnie was born in Albany, New York and raised in the mountains of Western Pennsylvania. He holds a degree in accounting from West Virginia University and a Master of Divinity from Virginia Theological Seminary. He served as an auditor with Arthur Anderson and Co. and G. C. Murphy Company before entering seminary in 1986. Active in the ministry of the Anglican Church since then, he is the founding Rector of All Saints Anglican Church in Midland. In 2014, he joined West Texas IT Consulting in Midland where he is responsible for accounting and human resources. In 2022 he became the CFO of Ascent Field Services, also in Midland. He and Marianne married in 1985 and have one daughter who lives in Boston. His hobbies include restoring vintage motorcycles to their former glory. Tom has served on the My Community Credit Union Board of Directors since January 2021.

Nominations will not be taken from the floor.

If you are interested in submitting an additional name for consideration, you must (1) request a formal petition (2) collect signatures from 250 eligible voters and (3) submit the petition request along with signatures to My Community Credit Union prior to April 15, 2023. For any additional information or to receive a petition, please contact the Nominating Committee at 432-687-

8470.

Products and Services Offered

Accounts Offered:

Free KASASA Rewards Share Draft Account
Free KASASA Savings Account Share Account
Basic Share Draft Account

Prime Time Share Draft Account
Youth Share Account
Fresh Start Share Draft Account
Money Market Account
Certificate of Deposit Account

Christmas Club Account
IRA Account
Business Account

Lending Products Offered:

Personal Loan
Consolidation Loan
Member Relief Loan (when applicable)
Share Secured Loan
Auto Loan
Title Loan

Recreational Vehicle Loan
Student Loan
Credit Cards
Business Credit Cards
Mortgage Loan
Home Equity Loan

Home Improvement Loan
GAP Protection
Mechanical Breakdown Protection
Payment Protection (Credit Life and Disability, Involuntary Unemployment Insurance)

Other Services Offered:

Online Banking
Bill Pay
Online Loan Application
My 24/7 Automated Phone Service
Night Deposits
EMV "Chip" Debit Cards
EMV "Chip" Credit Cards
Mobile Application

ATMs with Deposit Feature
Mobile Deposit
Identity Theft Protection
Saturday Hours
Coin Counter Machines
Cashier's Checks
Money Orders
High School Financial Education Courses

Investment Services
Notary Services
Medallion Stamp Guarantee
Wire Transfers
ACH Debits/ Credits /Originations
Online Account Opening
Mobile Wallet (*Apple Pay & Android Pay*)

2023 Scholarship Recipients

Selia Mercedes Jimenez

Selia Jimenez is currently a sophomore in credit hours and just finished her first full year at Texas Tech University. She is in the College of Arts and Sciences as well as the Whitacre College of Engineering with intent to double major in



Mathematics and Computer Science. Selia has joined many organizations since being at Tech, but a few of her favorites include Hispanic Student Society (HSS), Women in STEM (WIS), and Association of Women in Mathematics (AWM).

Destiny Freels



Destiny graduated Midland High School in 2010 and completed Midland College's Veterinary Technology Program in 2012. Thereafter, she became a licensed veterinary technician and worked at a local veterinary clinic for 10 years. Last July, Destiny

married her high school sweetheart, Cody, and together they enjoy raising their son Weston. Destiny has decided to pursue her educational career further through the Sul Ross at Midland College program, where she is working on her bachelor's degree in biology. In the future she hopes to be able to work in a laboratory setting or continue to work with animals in a more specialized field.

Amasyea Rollie

Amasyea Rollie is currently finishing his senior year and preparing for college. He is ranked number 12 out of 700 students and will graduate with honors. Amasyea's goal is to attend college at a HBCU to further his education. He would like to thank the scholarship committee for selecting him and helping him get closer to his goals.



Mikayla Deller

Mikayla Deller is a 2023 graduate of Midland High School. She was ranked in the top 5% of her graduating class and is a 4-yr Academic Letterman, 3-yr Powerlifting Letterman, 1-yr Varsity Volleyball Letterman, and a Midland Community Scholar. Throughout high school she was a member of the National Honor Society, Students in Philanthropy, MHS Forensics Club, Midland College Health Science Program, Midland Symphony Guild Belle, 432 Texas Volleyball Club National Team and was also a nominee for the 2023 CATOICO Court and 2023 FCA All-Stars Volleyball Team. She received an Academic All-State honor in both Volleyball and Powerlifting, was a State Powerlifting qualifier and a recipient of the Varsity Volleyball Fighting Heart Award. Currently she is a certified CNA, licensed Phlebotomy Technician, EKG Technician, and a Patient Care Technician. Mikayla will attend the University of Texas at Austin in the fall and major in Biology and pursue her dream of becoming a Neonatologist.



Samuel Weaks

Sam Allen Weaks is a sophomore attending Berklee College of Music in Boston, Massachusetts. He graduated from New Tech High School in Odessa in 2022. This fall he will be continuing his education at Berklee's campus in Valencia, Spain. You can follow his music at [samallen.studio](https://www.samallen.studio).



Kevin Munson



Kevin is a Sophomore Construction Management major at Collin College from Allen, Texas. At Collin, he is an active member of the Honor's College. Outside of school, he spends his free time mentoring the youth at his church and running his lawncare business; Munson Lawn and Landscape LLC. Kevin enjoys spending time outside, working with his hands, and helping his community out where he can.

Hilarie Sanchez

Hilarie Rose Sanchez is a 2023 graduate of Midland College with an Associate of Arts in Teaching. She is a member of Sigma Kappa Delta National English Honor Society, Phi Theta Kappa Honor Society and recent part time employee of Midland College working at the Pre-K Academy. In the fall of 2023, she will attend UTPB where she will continue



working towards her BA in Education, with a certification in EC-6 with ESL. When not hitting the books, she enjoys spending time with her husband of 14yrs, her 13yr old son, 18yr old stepson and two fur babies. She is a member of Renew Life Church, member of PTA , Athletic Booster Club and is blessed beyond measure with love and support from family and friends!

Jaden Evans



Jaden Murray Evans is graduating from Early College High School (ECHS) at Midland College with his High School Diploma and an Associates of Science in 2023. He is a member of National Honors Society, the treasurer for ECHS Senior Boys Organization, the ECHS Robotics Club, Midland College Honors College, the Alpha Beta Phi Chapter of Phi Theta Kappa (PTK) Honors Society, and the Midland College Jazz Band (Piano).

Jaden has received numerous awards while attending ECHS. Such as the 2022 President's Education Award for Outstanding Academic Excellence, National Math and Science Initiative STEM Star Award/Scholarship Recipient, Imagine Math Master Award, and the President's Education Award for Outstanding Academic Excellence/Achievement. Jaden is known for his faithfulness to his family, church, school, and community abroad spreading his love for the arts, music, and the world around him. He plans to pursue a degree in Mechanical Engineering after high school. Jaden will attend the University of the Permian Basin (UTPB) in the Fall of 2023.