

MAY 27<sup>TH</sup>, 2022



**70<sup>th</sup>**

# Annual Meeting



# Agenda

- I. Call Meeting to Order
- II. Ascertain That a Quorum is Present
- III. Approval of May 21, 2021 Annual Meeting Minutes
- IV. Chairman & President's Report – Board Chair, Teresa Clingman
- V. Financial Statements
- VI. Audit Committee Report – Chairman, Mitzi Baker
- VII. Nominating Committee Report – Chairman, Tom Finnie
- VIII. Adjournment

# Board of Directors, Audit Committee, & Senior Management

## Board of Directors

- Teresa Clingman, Chair – Term Expires 2024
- Terry Youngblood, Vice Chairman – Term Expires 2023
- Charlie Harris, Director – Term Expires 2023
- Charlotte Dunlap, Director – Term Expires 2022
- Juan Luna, Director – Term Expires 2022
- Mitzi Baker, Director – Term Expires 2022
- Steve Shockley, Director – Term Expires 2024
- Tom Finnie, Director – Term Expires 2023
- Jonathan Boyd, Director – Term Expires 2024
- Mark Friedman – Advisory Board Member

## Audit Committee

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

## Executive Staff

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

## Vice Presidents

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

# Annual Meeting Minutes

## May 21, 2021

Teresa Clingman, Chairman of the Board, called the meeting to order at 2:00pm. It was ascertained that a quorum was present.

Teresa Clingman called for a motion to approve the minutes from the 68th Annual Meeting as presented.

Moved: Terry Youngblood  
Seconded: Juan Luna

Motion passed unanimously.

The Chairman referred to the Chairman and President's Report in the Annual Meeting packet.

The Chairman referred to the Financial Statements in the Annual meeting packet.

The Chairman discussed the Audit Committee Report which states that Outside Auditors declared the Credit Union's Financials true as stated.

The Nominating Committee, Chaired by Juan Luna, recommends the following individuals to fill the three expiring terms:

- Teresa Clingman Term: May 2021 through May 2024
- Glen Luff Term: May 2021 through May 2024
- Steve Shockley Term: May 2021 through May 2024

To approve the Nominating Committee's recommendation as presented.

Moved: Mitzi Baker  
Seconded: Mark Williams

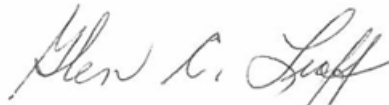
Motion passed unanimously.

State required "Application for Board of Directors" for above elected Board Members will be included in these minutes along with all documentation.

The 2021 Annual Meeting adjourned at 2:05pm.



Teresa Clingman  
Chairman, Board of Directors



Glen Luff  
Secretary, Board of Directors

# Chairman and President's Report

The past two years have been both unprecedented and challenging. We have lived through a pandemic and have learned a great deal about our world and each other. Many businesses had to pivot, and My Community was no exception.

During 2020 we changed our processes, procedures, and logistics to make all our services available to our members virtually. As a result, in 2021 we saw many more of our members using our virtual services, which will likely change the way we look at branching in the future. Loans, which are the fuel to our engine and our profitability slowed in 2020, but rebounded in 2021, and we booked almost \$200 million in loans. Our actual loan production was \$198,660,458. Below are some of our other important financial numbers:

	12/31/2021	12/31/2020	\$ \$ Change	% Change
Loans	\$ 372,558,048	\$ 346,794,121	\$ 25,763,927	7.43%
Assets	\$ 459,209,063	\$ 439,079,729	\$ 20,129,334	4.58%
Deposits	\$ 411,340,269	\$ 393,374,324	\$ 17,965,945	4.57%
Charge Offs	\$ 2,683,088	\$ 2,572,289	\$ 110,799	4.31%
Members	\$ 39,496	\$ 37,475	\$ 2,021	5.39%

In 2021, we had one of the most profitable years in our history, ending the year with over \$3 million in Net Income. Speaking of history, our credit union is celebrating 70 years of being in business. We are commemorating this achievement through many promotions on social media, including our Mayoral Proclamation establishing February 13, 2022 as "My Community Credit Union Day" in Midland.

Despite these terrific achievements, and the hard work required, we managed 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, and some of the MISD, ECISD, and Allen ISD booster clubs.

In 2022, we will eclipse a few other milestones. We will surpass 40,000 members and \$400 million in loans, and we may even reach \$500 million in total assets. Regardless of how large we grow, we will always remain committed to providing the best and most-personalized member service possible. We look forward to 2022 and beyond. With our Quality Board and Executive Team, we stand poised and ready to achieve great things.

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 2021	Dec 2020	Variance	Variance %
<b>Assets</b>				
Loans	372,558,048.35	346,794,120.94	25,763,927.41	7.43%
Allowance for Loan Losses	-3,018,417.40	-2,835,609.85	-182,807.55	6.45%
Accounts Receivable	1,394,709.69	2,929,269.62	-1,534,559.93	-52.39%
Cash on Hand	8,217,906.07	5,772,980.04	2,444,926.03	42.35%
Investments	45,055,726.36	51,385,652.26	-6,329,925.90	-12.32%
Prepaid Expenses	568,412.92	401,602.95	166,809.97	41.54%
Land & Buildings	15,792,775.85	16,012,383.04	-219,607.19	-1.37%
Other Fixed Assets	1,706,511.57	2,195,371.04	-488,859.47	-22.27%
Accrued Income	1,136,990.78	1,400,217.42	-263,226.64	-18.80%
All Other Assets	15,796,699.21	15,023,741.88	772,957.33	5.14%
<b>Total Assets</b>	<b>459,209,363.40</b>	<b>439,079,729.34</b>	<b>20,129,634.06</b>	<b>4.58%</b>
<b>Liabilities</b>				
Accounts Payable	2,441,480.83	2,761,850.18	-320,369.35	-11.60%
Borrowings	0.00	0.00	0.00	0.00%
Other Liabilities	3,669.01	2,192.76	1,476.25	67.32%
Accrued Expenses	1,331,866.76	1,678,445.33	-346,578.57	-20.65%
<b>Total Liabilities</b>	<b>3,777,016.60</b>	<b>4,442,488.27</b>	<b>-665,471.67</b>	<b>-14.98%</b>
Regular Shares	189,277,029.56	178,458,230.47	10,818,799.09	6.06%
Checking Shares	143,836,870.28	127,819,269.82	16,017,600.46	12.53%
Regular Certificates	65,570,085.59	73,107,649.28	-7,537,563.69	-10.31%
IRA Shares & Certificates	12,656,283.94	13,493,174.22	-836,890.28	-6.20%
Non Member Certificates	0.00	495,999.99	-495,999.99	-100.00%
<b>Total Shares</b>	<b>411,340,269.37</b>	<b>393,374,323.78</b>	<b>17,965,945.59</b>	<b>4.57%</b>
Regular Reserves	2,441,367.13	2,441,367.13	0.00	0.00%
Undivided Earnings	41,910,098.67	38,809,678.66	3,100,420.01	7.99%
Net Income	0.00	0.00	0.00	0.00%
Other Comprehensive Income	0.00	0.00	0.00	0.00%
Unrealized G/L Income	-259,388.37	11,871.50	-271,259.87	-2284.97%
<b>Total Equity</b>	<b>44,092,077.43</b>	<b>41,262,917.29</b>	<b>2,829,160.14</b>	<b>6.86%</b>
<b>Total Liabilities &amp; Equity</b>	<b>459,209,363.40</b>	<b>439,079,729.34</b>	<b>20,129,634.06</b>	<b>4.58%</b>
Total Membership	39,496	37,475	2,021.00	5.39%

# Income Statement

	Dec 2021	Dec 2020	Variance	Variance %
<b>Income</b>				
Income on Loans	18,422,825.07	18,994,863.76	(572,038.69)	-3.01%
Income on Investments	89,239.68	260,244.67	(171,004.99)	-65.71%
Fee Income	10,516,231.40	9,346,982.17	1,169,249.23	12.51%
Misc. Operating Income	603,859.55	542,423.06	61,436.49	11.33%
Misc. Non-Operating Income	89,261.72	38,878.69	50,383.03	0.00%
<b>Total Income</b>	<b>29,721,417.42</b>	<b>29,183,392.35</b>	<b>538,025.07</b>	<b>1.84%</b>
<b>Expenses</b>				
Compensation & Benefits	8,103,847.74	8,018,316.63	85,531.11	1.07%
Travel & Training	60,062.20	56,607.48	3,454.72	6.10%
Association Dues	28,642.27	69,376.47	(40,734.20)	-58.71%
Office Occupancy	1,544,598.91	1,232,658.65	311,940.26	25.31%
Office Ops/Prof.Svcs	7,091,975.21	7,680,605.42	(588,630.21)	-7.66%
Advertising & Promotions	119,698.64	100,672.73	19,025.91	18.90%
Loan Servicing	5,468,742.71	5,935,032.47	(466,289.76)	-7.86%
Provision for Loan/Leases Losses	2,898,073.67	3,703,311.92	(805,238.25)	-21.74%
Regulatory Exam Expense	37,515.67	60,505.81	(22,990.14)	-38.00%
Cash (Over) and Short	51,449.68	(777.84)	52,227.52	-6714.43%
Interest on Borrowed Funds	66.79	1,022.21	(955.42)	-93.47%
Dividend Expense	1,241,600.53	2,416,111.48	(1,174,510.95)	-48.61%
Operating (Gain) Loss	(25,276.61)	15,319.32	(40,595.93)	-265.00%
<b>Total Expenses</b>	<b>26,620,997.41</b>	<b>29,288,762.75</b>	<b>(2,667,765.34)</b>	<b>-9.11%</b>
<b>NET INCOME</b>	<b>3,100,420.01</b>	<b>(105,370.40)</b>	<b>3,205,790.41</b>	<b>-3042.40%</b>

# 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, Genene Deleon, Skye Westlund, Lezlie Veach, Stephanie Ramirez, and Marcus Davis.

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.

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 who oversees Compliance and Audit, resulting in numerous audits performed throughout the year in various MCCU functional areas.

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

The annual audits by the outside auditors, and the Texas Credit Union Department audit team resulted in excellent reviews. It is the opinion of this Committee that the MCCU financial statements reflect a true and accurate picture of the MCCU financial condition.

Respectfully submitted,



Mitzi Baker  
Chairman, Audit Committee



# Nominating Committee Report

The Chairman for the Nominating Committee for 2022 is Tom Finnie. There are two additional Committee Members, Jonathan Boyd, and Mark Friedman. The 2022 Slate of Board of Directors for the three expiring terms have been selected and the nominees are:

## **JUAN LUNA**

Juan Luna has served on the My Community CU Board of Directors since May 2016. Juan currently lives in Odessa, Texas with his spouse, Nancy, and their three sons, Jacob, Jaime, and Joshua. Juan has been a Farmers Insurance Agent since 1986. Juan was born in Odessa but raised in Mexico where he attended The University of Guadalajara where he graduated as Civil Engineer in 1977.

## **MITZI BAKER**

After serving Midland County since 1989 in another capacity as Administrative Assistant, Mitzi was elected County Treasurer in November of 2004. Since being in office she has developed an investment strategy managing a portfolio of more than \$150,000,000 dollars. She initiates the bid process for her depository contract every 4 years and completes analysis on the bids for presentation to Commissioners Court. She developed a new pay increase system, the first of its kind in Midland County, based on years of service, and initiated a time clock system. As Administrator of their self-funded medical plan, Mitzi spearheaded the development and opening of a County Health Clinic that is completely free to all County employees and their dependents, hosts an annual benefit fair for the employees, and started a wellness program for the first time in Midland County. Along with her County Judge and Auditor, Mitzi helps to formulate the Midland County budget each fiscal year, providing all the information for personnel, salaries, benefits, and investment income for the County. Mitzi has been a member of the County Investment Academy thru T.A.C. since 2004. She has served on many committees for The County Treasurer's Association of Texas, and from 2011-2014 was the Chairman of the Audit Committee for C.T.A.T. Mitzi was named by C.T.A.T. as The Texas Outstanding County Treasurer in August of 2014. Mitzi is currently the President Elect of C.T.A.T. after serving as Treasurer, Secretary, and 1st Vice President. Mitzi has been a member of My Community CU since 2013 and has served on the My Community CU's Supervisory/Audit Committee since 2015, becoming the Chair in 2019. Mitzi has served as an Advisory Board Member on the My Community CU Board of Directors since 2017 and is now serving as a Board Member for My Community since August 2020.

## **CHARLOTTE DUNLAP**

Charlotte Dunlap received her BBA from Stephen F. Austin State University. She began a career with Atlantic Richfield Oil and Gas in 1974 and retired with Southern Union Gas Services in 2007. Charlotte's career in the gas industry ranged from gas revenue accounting, gas regulations, sales and purchase contract administration, and plant and field construction contract administration. Charlotte arrived in Midland in 1981 and made it her home. Charlotte has served on the Board of My Community CU since September 2012. Prior to serving on the Board, Charlotte served 3 years on the Supervisory Committee. Charlotte has served as a Board Member for My Community CU since 2012.

### **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 prior to March 1, 2022. 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  
CU Succeed Account  
Youth Share Account  
Fresh Start Share Draft Account  
Money Market Account

Christmas Club Account  
Certificate of Deposit 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*)

# 2022 Scholarship Recipients

## Kylie Knapp

Kylie Knapp is a 2022 graduate of Greenwood High School. She is from Midland, Texas and is one of eleven children of Duane and Rainie Knapp. She was part of multiple extracurricular activities throughout high school including Cross Country, Basketball, Track, FCA, Book Club, Interact, and National Honors Society. Kylie plans to attend Lubbock Christian University this coming Fall to get a degree in nursing while also participating in college track and field.



## Ashlyn Gallegos

Ashlyn Gallegos is a sophomore attending Abilene Christian University. She is currently earning a major in Early Childhood Education and a Minor in Spanish. She has made the Deans' Honor Roll both semesters of her first year of college. In her free time, she enjoys spending time with her friends and family. She also enjoys volunteering at Palm House and World's Backyard in Abilene where she builds relationships with elementary school kids and walks them through Bible studies. Ashlyn will be returning to ACU in the Fall of 2022 to continue her studies. Go Wildcats.



## Selia Jimenez

Selia Jimenez will be graduating as valedictorian from Grady High School in May 2022 where she has had the opportunity to participate in many community service and volunteer activities as part of student council and FFA. In the fall of 2022, she plans to attend Texas Tech University to study mathematics and computer science. She eventually hopes to either pursue a profession/career in actuarial mathematics or computer data analytics.



## Aleynah Alvarado



Aleynah Alvarado is a 2022 graduate of Early College High School at Midland College. She was born and raised in Midland, Texas. Aleynah is a member of the National Honor Society and

was involved in the yearbook committee. She will be attending Texas Tech in the Fall, majoring in Geology and hopes to become a professional Geoscientist by the time she graduates from Texas Tech.

## William Craft

William Craft is a 2022 graduate of Lovejoy High School. This past fall he was honored by being voted as captain of the football team. William also participated in choir council for Varsity Mixed Choir and was a part of the pop group, A Cappella. In addition, he was a member of the National Honor Society. William will be attending Texas A&M University this coming fall and major in finance with the goal to graduate in 3 years!



## Luke Ingram

Luke Ingram is a 2022 graduate of Midland High School. He is a 4-year Academic Letterman and a 3-year Varsity Baseball Letterman. He has been a member of the National Honor Society, Model Organization of American States, and Students in Philanthropy as well as serving as Varsity Team Captain. His awards include Best Math Student his sophomore year, Outstanding Overall Student his junior year, Junior and Senior Academic Top 10%, recipient of the MHS Baseball Galberson Zachery 110% Award and THSCA Academic All-State 2<sup>nd</sup> team. He has been involved in Teem CBS, Young Life, and Stonegate Church Youth Group. He has volunteered with Meals on Wheels, Helping Hands, Martin Luther King Center, and Keep Midland Beautiful. He enjoys spending time with family, going to the lake, and hanging out with friends. He will attend Texas Tech University in the fall and major in Business Finance and Real Estate.

