



61st
Annual
Meeting

April 19, 2013

**MY COMMUNITY
FEDERAL CREDIT UNION
61st ANNUAL MEETING**

PROGRAM

- 6:15 p.m. Odessa Chuck Wagon Gang**
- 7:30 p.m. Welcome and Announcements**
- 7:35 p.m. Conduct 61st Annual Meeting**

**MY COMMUNITY
FEDERAL CREDIT UNION
61st ANNUAL MEETING**

AGENDA

- I. Call meeting to order**
- II. Ascertain that a quorum is present**
- III. Approval of 2012 Annual Meeting Minutes**
- IV. President's Report – President / CEO, Donna Neal**
- V. Chairman's Report – Chairman, Sharon Tischer**
- VI. Treasurer's Report**
- VII. Supervisory Committee Report – Chairman Supervisory Committee, Glenn Luff**
- VIII. Nominating Committee Chairman, Bob Billhimer**
- IX. Unfinished Business**
- X. New Business**
- XI. Adjournment**
- XII. Crossroads Scholarship Winners**

BOARD OF DIRECTORS

Sharon Tischer, Chairman
Teresa Clingman, Vice Chairman
Bob Billhimer, Treasurer
Terry Youngblood, Secretary
Steve Shockley, Director
Elizabeth Casbeer, Director
Glenn Redmond, Director
Charlotte Dunlap, Director
James Upham, Director

SUPERVISORY COMMITTEE

Glenn Luff, Chairman
Glenn Redmond
Tom Finnie
Chris Arredondo

My Community Federal Credit Union
60th Annual Meeting
April 2012 Minutes

Kellie Hill introduced Debbi Corey, Chairman of the Board. Debbi Corey called the annual meeting to order at 7:30 PM at the Midland County Horseshoe Arena. It was ascertained that more than a quorum of the members were present at the meeting.

Debbi Corey called for a motion to dispense the reading of the minutes from the 59th Annual Meeting and approval of the minutes as written. Terry Youngblood made a motion to approve the minutes as written. The motion was seconded by Teresa Clingman. The motion passed.

Debbi Corey presented The Directors' Report and assured the members that My Community Federal Credit Union was financially secure. Debbi Corey thanked the board for their commitment and dedication and introduced the board members present. Debbi Corey complimented MCFCU's dedicated staff, complimenting staff for the management of operating expense over the past year. Debbi Corey stated that although we had gone through a recession in the past that MCFC has far exceeded expectations the last two years.

Debbi Corey introduced Donna Neal, President and CEO. Donna Neal presented The President's Report and recognized the staff. Donna Neal stated that our Credit Union has weathered many economic factors over the past 60 years, but none more challenging than the past few years. While we're currently very fortunate here in West Texas to have lower unemployment issues than the majority of the country, we have many challenges that we will continue to face over the next few years. Donna stated the credit union will continue to develop new products to ensure we are meeting the needs of the community and that we are capturing as many loans as possible. Donna informed the attendees that MCFCU ended the year with total assets of \$243,843,220. Donna stated that we increased assets by 6.6% and capital by 11.87% from 2010 to 2011, referring to this as a great accomplishment.

Debbi Corey informed the membership she would not review the Treasurers Report in its entirety due to financial discussion during the Chairman and President's report and asked if the members had any questions. There were none. Debbi Corey introduced Glenn Redmond, Chairman of The Supervisory Committee.

Glenn Redmond recognized the 2012 Supervisory Committee members with a special thank you to Susie Farley and presented the Supervisory Committee report. He informed the members the 2011 financial statement consists of a true and accurate report of the financial condition of My Community Federal Credit Union.

Debbi Corey introduced Terry Youngblood, 2012 Nominating Committee member. Terry Youngblood presented the Nominating Committee report and informed the floor there were no petitioned candidates for the expired or vacant positions. The Nominating Committee consisted of Bob Billhimer, Terry Youngblood, Stan Sartain and Margaret Dutchover. There are 3 vacant board positions. Nominating Committee recommends the following individuals, introduced by Terry Youngblood: Steve Shockley, Teresa Clingman and Glenn Redmond. Elizabeth Casbeer made a motion to elect these nominees to the Board. The motion was seconded by James Fleming. Motion passed.

Debbi Corey called for any unfinished or new business. There was none. Debbi Corey called for a motion to adjourn. James Fleming made a motion to adjourn. The motion was seconded by Doug Lamb. Motion passed. The meeting adjourned at 8:10 PM.

MY COMMUNITY FEDERAL CREDIT UNION
61st ANNUAL MEETING OF MEMBERSHIP
APRIL 19, 2013
DIRECTORS' REPORT

My name is Sharon Tischer and it is my honor to serve as Chairman of the Board of Directors of My Community Federal Credit Union. I would like to recognize the other board members currently serving: Teresa Clingman - Vice Chairman, Bob Billhimer - Treasurer, Terry Youngblood - Secretary, Elizabeth Casbeer, Steve Shockley, Glenn Redmond, James Upham, and Charlotte Dunlap.

I would like to take this opportunity to thank each of these board members for their time and service. They perform this service voluntarily, and without compensation. They, like you, are members of this credit union and have a vested interest in the safety and stability of this financial institution. It is our responsibility to establish strong, clear policies that direct the management and staff in their day-to-day operations. We receive periodic training and frequent regulatory updates to obtain the knowledge necessary to uphold our duties on your behalf.

There is another group of volunteers serving on the Supervisory Committee. Their job is to validate the accuracy of financial reporting, assure that internal controls are established and maintained, and protect the security of member's information. We appreciate their dedication and support.

None of the Board's plans would be realized without the strength and abilities of our management and staff. My Community has a very talented management team and a dedicated staff who are working to provide an excellent level of service to the membership. We continue to add products and services and look for opportunities to expand our capabilities and facilities, either physically or electronically.

The Board of Directors would also like to express their appreciation for the support of the membership. We would especially like to thank those members who are with us tonight. Your presence here is evidence of your involvement and commitment.

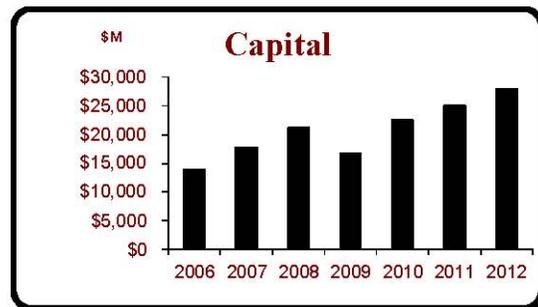
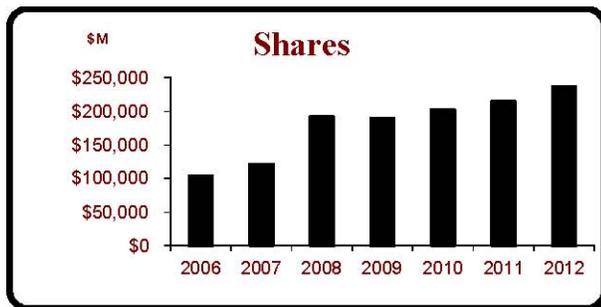
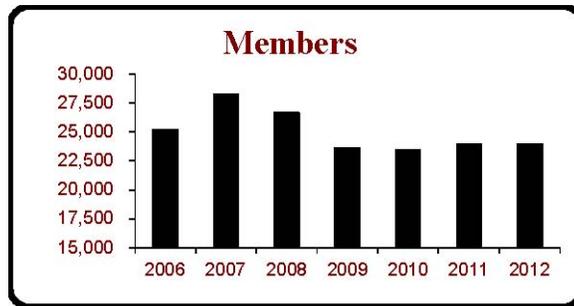
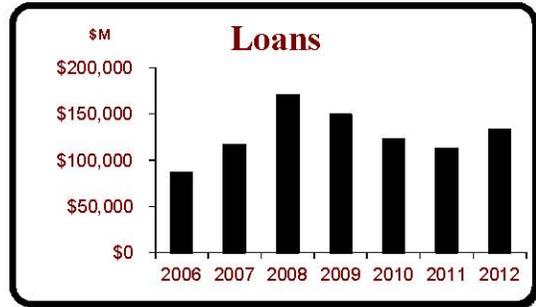
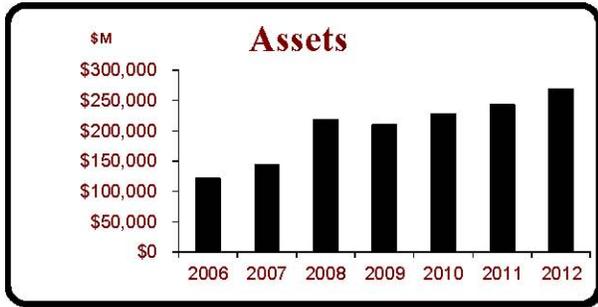
We look forward to your continued business and your support and partnership throughout 2013 and beyond.

Best Regards,

Sharon Tischer
Chairman of the Board



**TREASURER'S REPORT
HISTORICAL DATA 2006-2012**



MY COMMUNITY FEDERAL CREDIT UNION**Treasurer's Report****INCOME STATEMENT**

For the Years Ending December 31, 2012 and 2011

	2012	2011
<i>INTEREST INCOME:</i>		
Interest on Loans	\$ 7,092,074	\$ 7,779,897
Investment Income	1,376,048	934,969
Total Interest Income	8,468,122	8,714,866
<i>INTEREST EXPENSE:</i>		
Dividend Expense	1,447,349	1,624,477
Interest on Borrowed Money	424	9
Total Interest Expense	1,447,773	1,624,486
Net Interest Income	7,020,349	7,090,380
<i>PROVISION FOR LOAN LOSSES:</i>		
	(900,271)	224,372
Net Interest Income (Loss) After Provision	7,920,620	6,866,008
<i>OPERATING INCOME:</i>		
Fees and Charges	4,926,696	4,867,980
<i>OPERATING EXPENSE:</i>		
Salaries and Benefits	5,514,092	4,799,643
Travel, Education & Conference	72,293	42,882
Office Occupancy	411,795	305,634
Office Operations	2,758,163	2,515,655
Marketing & Promotion	277,282	243,855
Loan Servicing	142,777	104,680
Professional Services	414,503	447,417
Miscellaneous Operating Expense	135,432	125,939
Total Operating Expense	\$ 9,726,335	\$ 8,585,704
<i>OTHER GAIN (LOSS):</i>		
GAIN/(LOSS) Disposal on Asset	(3,406)	-
GAIN/LOSS Sale of OREO	-	-
NCUSIF Capital Write Down	(207,300)	(485,332)
NCUSIF Premium	-	-
SWC Capital Impairment	-	-
Total Other Gain (Loss)	\$ (210,706)	\$ (485,332)
<i>NET INCOME (LOSS):</i>	\$ 2,910,275	\$ 2,662,952

MY COMMUNITY FEDERAL CREDIT UNION

Treasurer's Report

BALANCE SHEET

As of December 31, 2012 and 2011

	2012	2011
ASSETS:		
Gross Loans	\$ 133,163,710	\$ 112,777,056
Allowance for Loan Loss	(1,322,654)	(1,815,285)
Cash on Hand and in Banks	5,005,405	5,005,405
Investments	119,633,718	115,090,221
Fixed Assets	7,496,195	7,864,364
Other Assets	4,712,405	3,921,460
TOTAL ASSETS	\$ 268,688,779	\$ 242,843,220
LIABILITIES:		
Accounts Payable	\$ 1,790,790	\$ 1,042,968
Accrued Expenses	2,577,159	1,769,240
Members' Shares:		
Shares	91,580,416	76,133,136
Checking	38,533,267	33,061,577
IRA Shares	9,136,756	7,981,263
IRA Certificates	8,658,817	9,265,462
Money Market	42,926,493	40,343,376
Regular Certificates	46,362,525	48,501,308
Total Liabilities	\$ 241,566,223	\$ 218,098,331
MEMBERS' EQUITY		
Other Comprehensive Income (Loss)	\$ (472,624)	\$ (361,671)
Unrealized G/L on AFS Investments	\$ (421,655)	\$ -
Capital	28,016,834	25,106,560
Total Members' Equity	\$ 27,122,556	\$ 24,744,889
TOTAL LIABILITIES AND CAPITAL	\$ 268,688,779	\$ 242,843,220

\$ - \$ -

My Community Federal Credit Union
61st Annual Meeting
April 19, 2013
President's Report

Good evening. I am Donna Neal, President/CEO of My Community Federal Credit Union (MCFCU). One behalf of the Board of Directors and the entire staff, it is our privilege to welcome you to the 61st annual Meeting of My Community Federal Credit Union.

It is an honor to present the 2012 results of OUR Credit Union. That's the important distinction that separates credit unions from other financial institutions. Credit unions are not for profit financial cooperatives that exist solely to serve our members. As a Credit Union, we offer a range of products and services to meet the needs of our members. We seek to provide the best rates possible for our members, whether its higher interest earned on your deposits or lower interest paid on loans. And we take pride in knowing and forming a real relationship with our members. It's this shared purpose and cooperative approach that have caught the attention of so many people across the country. In Fact, the United Nations declared 2012 as the "Year of the Cooperative" to advance the cooperative business model and its benefits for growth and economic development. Locally, the Mayors of both Odessa and Midland proclaimed November 1, 2012 as Credit Union day in both of these great cities. We received formal proclamations from each of the Mayors stating that as a credit union, we have demonstrated outstanding leadership throughout the cities we serve and that we are dedicated to providing the highest level of personalized member service with our people helping people philosophy.

My Community has a long tradition of contributing to the community we serve. In 2012, we held a golf tournament benefiting the Make A Wish Foundation. MCFCU raised \$53,000 through the golf tournament. The proceeds from this campaign will be used to grant Wishes to as many as 7 local children with severe medical issues. Our staff participated each month in Meals on Wheels. Our employees raised \$16,114 for Children's Miracle Network and collected over 100 pounds of food for the West Texas Food Bank. MCFCU once again provided scholarships to 5 well deserving local students totaling \$12,500.

We ended the year with total assets of \$268,688,789 compared to \$242,843,220 at yearend 2011. The Capital ratio as of yearend 2012 was 10.43% compared to 10.34% as of yearend 2011. These are very exciting results. We saw an increase of 10.64% in assets and increased capital by 11.59% from 2011 to 2012. While we were not intentionally trying to increase assets, the fact that we were able to increase assets while also increasing capital is a great accomplishment.

The results for 2012 are very impressive and allow us to focus on our theme of "It's a New Day" for the current year. Members will benefit from great loan promotions and a variety of new products and services as we continue to look for new and better ways to serve our members.

Respectfully submitted,



Donna K Neal
President/CEO

My Community Federal Credit Union (MCFCU)
61st Annual Meeting
April 19, 2013
Supervisory Committee Report

The Supervisory Committee is appointed by the Board of Directors from among the members of this Credit Union. This year's Committee members are Glen Luff, Chairman, Glenn Redmond, Tom Finnie, Chris Arredondo and John Williams.

The Supervisory 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 procedures and practices are sufficient to safeguard the 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 and compliance audits. Also, to assist the Committee, MCFCU has an Internal Auditor on staff, Susie Farley, who reports directly to the Committee. The Internal Auditor performs numerous audits throughout the year on most MCFCU functional areas, as well as being involved in MCFCU's external audits.

The Committee also assists in handling problems (legal and otherwise) with Member accounts that may arise. Committee members are also available to assist MCFCU staff in routine and special requirements.

The annual audits by the outside auditors and the NCUA audit team resulted in excellent reviews and a top rating for the credit union. Also, it is the opinion of this Committee that the MCFCU financial statements reflect a true and accurate picture of the MCFCU financial condition.

Respectfully submitted,

Glen C. Luff, Chairman
Supervisory Committee

My Community Federal Credit Union (MCFCU)
61st Annual Meeting
April 19, 2013
Nominating Committee Report

The Nominating Committee is comprised of the following:

Bob Billhimer	Chairman and Board Member
Terry Youngblood	Board Member
Stan Sartain	Retired U.S. Postal Service
Margaret Dutchover	Midland County Sherriff's Office

The following Board positions are expiring in 2013:

1. Sharon Tischer
2. Elizabeth Casbeer
3. Charlotte Dunlap

The Committee has met to review the candidates for these expiring positions. The Nominating Committee recommends the following to fill the expiring terms:

SHARON TISCHER, Board Member 3- year term

Sharon Tischer has served on the Board of My Community FCU since 2007. Prior to serving on the Board, Sharon served 7 years on the Supervisory Committee. Sharon joined the Credit Union in 1980 while employed with ARCO. Born in Natchez, Mississippi, Sharon is married with two children. Sharon earned a Bachelor's Degree from North Texas in Denton. She is currently employed with DCP Midstream.

ELIZABETH CASBEER, Board Member 3- year term

Elizabeth Casbeer has served on the Board of My Community FCU for more than 25 years. Prior to serving on the Board, Elizabeth served 10 years on the Supervisory Committee. Elizabeth is currently serving on the Executive Loan Committee as well as the HR Committee. She has lived in Midland for 62 years and is currently employed at OXY Permian LTD, a petroleum, exploration and development company. Elizabeth is a Senior Regulatory and Compliance Advisor for Oxy. Elizabeth retired from ARCO Permian after 32 years of service. Elizabeth has served on the CampFire Board for more than 30 years and has served for several years on the United Way Executive Committee. Elizabeth has approximately 75 hours in business, accounting, petroleum technology and computer classes from Midland College.

CHARLOTTE DUNLAP, Board Member 3-year term

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 FCU since September 2012. Prior to serving on the Board, Charlotte served 3 years on the Supervisor Committee.

There were no Petitioned Candidates for the 3 expiring Board positions.

Respectfully submitted,



Bob Billhimer
Chairman, Nominating Committee