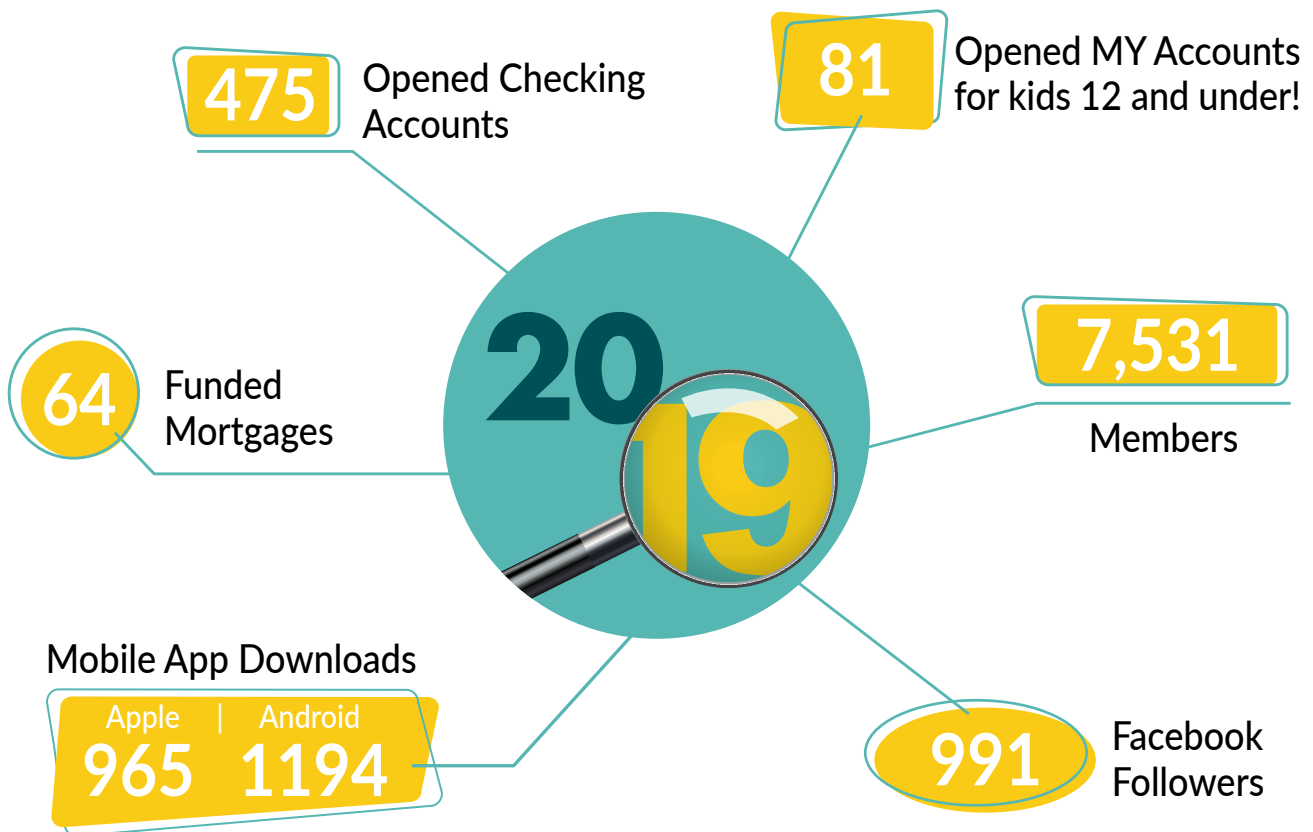




**Members Community
Credit Union**

together we're better.

2019 ANNUAL REPORT



2019 Financial Statement

ASSETS	2019
Loans to Members	\$47,444,805
Allowance for Loan Loss	\$(223,497)
Cash & Cash Equivalents	\$5,367,012
Total Investments	\$3,752,178
Land and Buildings	\$2,491,291
Other Fixed Assets	\$169,357
Other Assets	\$3,180,662
TOTAL ASSETS	\$62,181,808
LIABILITIES & CAPITAL	
Dividends Payable	\$23
Accounts Payable	\$1,172,471
Notes Payable	\$2,900,000
Shares	\$22,533,584
Share Drafts	\$10,163,259
Share Certificates	\$13,531,184
IRAs	\$3,063,100
Other Shares	\$2,152,568
Regular Legal Reserve	\$2,538,090
Other Reserves	\$(2,364)
Undivided Earnings	\$3,572,267
Net Income from Operations	\$557,626
TOTAL LIABILITIES & EQUITY	\$62,181,808

Audit Committee Report

The audit committee has contracted Petersen & Associates to conduct a semiannual review and year end opinion audit of the credit union's financial statements, accounting practices, and internal procedures. The audit report indicates that management is properly accounting for the operations of the credit union. Compliance audits were also completed by Policy Works for regulatory compliance and Federal Home Loan Bank for mortgage underwriting review. Results from all areas under the audit and review were satisfactory.

The credit union was also examined by the Credit Union Division of the State of Iowa and NCUA in April of 2020. Any and all issues relating to the examination have been addressed by management in a timely and appropriate manner.

Credit Committee Report

Loan demand continued to strengthen in 2019. Auto loans and mortgage lending fueled loan growth. Loan losses and delinquencies remained well within acceptable levels.

2019 ended with \$47,444,805 in loans outstanding. We approved 2106 new loans in 2019 totaling \$24,033,486. The credit union helped 64 members purchase or refinance their homes in 2019, totaling almost \$9 million, including several first-time homebuyers. The number of loans granted since organization is 85,126 exceeding \$434,072,294.

President's Report

For the second year in a row, I am pleased to report a record setting year for your credit union. Assets grew to \$62.2 million, up 5.4% from 2018. Net Income was \$558,000 for 2019. Net Worth increased to 10.72% from 10.3% in 2018. For every \$1.00 deposited in share accounts from members like you, \$0.92 was loaned back to your fellow members.

2019 was highlighted with our system upgrade as our old data processing system was showing its age. The previous vendor indicated they had ceased development and integration with home and mobile services was becoming more and more troublesome and overall limited our opportunities to serve you better.

Thanks to the efforts of our staff & management team the system upgrade was practically seamless, and the benefits were immediately evident. An improved mobile app and online banking experience, remote deposit capture, and

text alerts have been quickly adopted by membership. We also have implemented digital signatures and documents which have proved especially timely during the pandemic. Member Service Representatives can process transactions more efficiently and focus more on member service. Thanks to our new technology partner we are excited to focus on new ways to serve you better with additional services and improve your experience across various channels.

As we continue to navigate through uncharted territory in 2020 please know your credit union will continue to help you meet your financial goals. Whether it be face-to-face, over the phone, at your desk, or on the go...we're here for you.

We know you have a choice in where you conduct your financial business and we strive to be the best choice through products, pricing, service and convenient access to your credit union. We strongly encourage and welcome any feedback from our membership. Thank you for the opportunity to serve you! Together we're better!