



**Members Community  
Credit Union**  
together we're better.

# 2020 ANNUAL REPORT

OPENED  
**540**  
CHECKING  
ACCOUNTS

**1,058**  
FACEBOOK  
FOLLOWERS

**7,700**  
MEMBERS

Apple  
**705**  
APP DOWNLOADS  
**1,316**  
Android

**134**  
FUNDED  
MORTGAGES

# 2020 Financial Statement

ASSETS	2020
Loans to Members	\$49,467,117
Allowance for Loan Loss	\$(307,156)
Cash & Cash Equivalents	\$16,733,159
Total Investments	\$3,796,431
Land and Buildings	\$2,544,290
Other Fixed Assets	\$179,757
Other Assets	\$3,357,143
<b>TOTAL ASSETS</b>	<b>\$75,770,741</b>
LIABILITIES & CAPITAL	
Dividends Payable	\$32
Accounts Payable	\$1,252,734
Notes Payable	\$3,000,000
Shares	\$31,593,531
Share Drafts	\$14,179,804
Share Certificates	\$12,345,548
IRAs	\$3,382,240
Other Shares	\$2,923,011
Regular Legal Reserve	\$2,838,090
Other Reserves	\$(534)
Undivided Earnings	\$3,829,893
Net Income from Operations	\$426,392
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>\$75,770,741</b>

## 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. Audits required by code or statute were also completed by Policy Works, an independent entity, for regulatory compliance. 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 exam have been addressed by management in a timely and appropriate manner.

## Credit Committee Report

Loan demand softened in 2020 as members adjusted to the economic and personal effects of the pandemic. While consumer borrowing slowed, record low interest rates spurred mortgage lending as members refinanced to lock in low long term rates. Loan losses and delinquencies remained well within acceptable levels.

2020 ended with \$49,467,117 in loans outstanding. 1,224 new loans totaling \$29,756,150 were approved during 2020. The credit union helped 134 members purchase or refinance their homes, totaling over \$8.4 million, including several first-time homebuyers. The number of loans granted since organization is 86,350 exceeding \$463,828,444.

## President's Report

I am pleased to report your credit union closed out 2020 with unprecedented growth. Assets grew 21.8% in 2020 to \$75,770,741. Member deposits swelled as the pandemic shocked the country. Government attempts to stimulate the economy and provide emergency assistance provided a safety net for many Americans, MCCU members included. Less member spending and borrowing resulted in lower net income for the credit union, although it still exceeded \$426,392 and allowed the net worth to keep pace with the rapid growth experienced during the year.

Not only did the pandemic affect the economy, it also transformed the way many of us work, shop, and interact with others. The long-term effects are still uncertain, but some facets of our daily lives are forever changed. Zoom calls, hybrid work environments, Door Dash, curbside pickup, online shopping, etc. are now a commonplace. Consumers who were previously slow to adapt to new delivery options embraced the convenience of the new services offered.

We've seen this in the credit union as well. Lobby closures during the spring and fall of 2020 allowed members to take advantage of our online and mobile banking products. RDC (remote deposit capture) allowed members to deposit checks without leaving their homes. Electronic documents and signatures could be delivered and obtained via secure email. Online loan applications and open-end credit plans allowed members to borrow without stepping foot in our office. Our ability to offer our full menu of products and services didn't skip a beat, thanks to the System Upgrade.

As life is nearing a return to "normal" we have found that members have embraced the convenience of these services. Despite transactions increasing, lobby traffic has decreased, indicating members enjoy the flexibility these options offer. Regardless of how you choose to use us, we strive to offer a consistent member experience and be a resource for your financial needs.

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. We strongly encourage and welcome any feedback from our membership. Thank you for the opportunity to serve you! Together we're better!