



Mutual Credit Union
2022
A N N U A L R E P O R T





TABLE OF CONTENTS

A Letter From the Chairman & CEO.....	3
Supervisory Committee Report.....	4
2022 Annual Meeting Minutes.....	5
Financial Statement.....	6-7
Our Leadership & Contact Info.....	8



A Letter From the Chairman & CEO

2022 was a challenging yet rewarding year on many fronts. The end of pandemic-related restrictions early in the year allowed for travel and a return to normalcy within our communities. Interest rate increases have shocked the markets, along with consumer price inflation increasing the costs to buy groceries, fill up your tank, etc. Through these challenges, the staff at Mutual persevered and delivered on our promise to improve our members' financial lives daily.

In 2022, Mutual saw 2,347 new members join, bringing the total membership to 23,016. Mutual granted \$51,050,759 in new loans so members could buy new cars, build or renovate homes and achieve other financial goals. We also paid \$902,886 in dividends to our membership while maintaining competitive lending rates and reduced fees compared to our competition.

Mutual has continued to invest in technology, products and people to improve our quality of service and ensure that we are offering the latest and greatest financial products to our members. Online and mobile services saw significant growth in usage during the year, as members now have viable options for how they choose to bank and borrow. One-third of all loan applications processed in 2022 were initiated electronically, and growth in this channel continues to exceed expectations.

However, our primary focus has remained on world-class service, and in 2022, Mutual began offering a new service-quality survey to our members who conduct transactions both online and in-branch. Our goal is to identify pain points for our membership and improve the service level we offer through the two channels. Mutual is successful when service quality is high and our members choose to continue banking with us. We will always strive for excellence in this area, and we request you give us honest feedback by completing a survey when it's received.

As we move forward into 2023, we know the success we have experienced over the last 12 months would not be possible without you, our membership. We are excited about what the new year will bring and how we can continue to help you achieve your financial goals moving forward!

Jerry W. Dean, Chairman, Board of Directors

Michael Mathews, CEO

Supervisory Committee Report

The Mutual Supervisory Committee serves a vital role for Mutual members in that it serves as the Internal Audit Committee and represents you as the Mutual member. The Committee's responsibilities also include monitoring the performance of Mutual's elected volunteer officials, management and employees.

The Mutual Supervisory Committee has retained the audit firm of Horne CPAs & Business Advisors to perform the 2022 Independent Quarterly Audits, an annual verification of accounts, an annual IT audit and a year-end opinion audit. Horne CPAs also completed a Risk Assessment to assist the Supervisory Committee and management in identifying and measuring Mutual Credit Union's relevant risks. The Risk Assessment also helped the Supervisory Committee and management develop an annual audit plan to review and audit all phases of Mutual's operations. New regulations are imposed yearly, and the Supervisory Committee ensures that Mutual adheres to them. While Mutual strives to adhere to all the regulations from the State Department of Banking and Consumer Finance, along with the National Credit Union Administration (NCUA), some areas must be addressed further. Those areas are discussed quickly by Mutual's Compliance Officer, who works with the management and Supervisory Committee to adequately respond to the complete satisfaction of the NCUA and state examiners and auditors.

The Mutual Supervisory Committee will also work with management and the board to assure the members that the conversion from the current State Charter to the Federal Charter will be seamless and will continue our standard of service. This conversion should be complete within the following year.

The Mutual Supervisory Committee, based on the audits and examinations made in 2022, is convinced that the affairs of Mutual are being appropriately handled and provide the members with excellent service. If you have any comments or questions, you can address them in writing to the Mutual Supervisory Committee, P.O. Box 1522, Vicksburg, MS 39181.

Respectively submitted,



Charles A. McKinnie, Chairman, Supervisory Committee

Ben Luckett, Supervisory Committee Member

James Harper, Supervisory Committee Member



2022 Annual Meeting Minutes

FEBRUARY 10, 2022

DIRECTORS PRESENT: J. Dean, Chairman of the Board; L. Murrell, Vice-Chairman; R. Vessell, Treasurer; T. Acuff, Secretary; B. Bridges; D. Hardy; J. Tom; J. Tingle; M. Hendrix

DIRECTORS ABSENT: None

ASSOCIATE VOLUNTEER MEMBERS PRESENT:

L. Gullett, A. Bounds, P. Schrader

ASSOCIATE VOLUNTEER MEMBERS ABSENT: None

SUPERVISORY COMMITTEE PRESENT: C. McKinnie, Chairman; B. Luckett; J. Harper

SUPERVISORY COMMITTEE ABSENT: None

OTHERS PRESENT: M. Mathews, President; R. Perry, VP of HR; A. Bell, VP of Lending; M. Mason, VP of Operations; S. Newsome, VP of Compliance; C. Pecanty, VP of IT; C. Kilman, Communications Specialist; M. Carter, Branch Manager, Columbus (via live stream); T. Johnston, Compliance Specialist (via live stream); S. Evans, Recording Secretary (via live stream)

① Mr. Jerry Dean welcomed everyone to the 91st Annual Business Meeting of Mutual Credit Union; he announced that this meeting is being conducted as a hybrid: both in person and via live stream. There were 46 members present, both in person and via live stream.

② Without objection, Mr. Dean appointed Ms. Sandy Evans as Recording Secretary and Mr. Randy Sherard as Parliamentarian.

③ Mr. Dean gave the Invocation.

④ Mr. Dean recognized the veterans, both in the room and via live stream, for their service to our country.

⑤ Mr. Dean declared that, with the posting of this meeting on our website, in our newsletter and in our branches, this is an official Annual Business Meeting of the membership of Mutual Credit Union and that Mr. Charlie McKinnie, Chairman of the Supervisory Committee, has indicated that we have a quorum present.

⑥ Mr. Dean called for the reading of the 90th Annual Business Meeting dated February 23, 2021. Ms. Susan McKinnie moved to suspend the reading of the minutes. Ms. Jaynie Bridges seconded, and the motion carried.

⑦ Mr. Dean introduced the Volunteers.

⑧ Ms. Tonya Acuff, Chairman of the Nominating Committee, reported that there were no petitioners for the vacancies on the Supervisory Committee

or the Board of Directors. Ms. Donna Hardy, Mr. Jeb Tingle and Mr. Billy Bridges were re-elected by acclamation to another three-year term on the Board of Directors. Mr. Ben Luckett was re-elected by acclamation to another three-year term on the Supervisory Committee.

⑨ Mr. Dean called for a motion to receive the reports printed in the Annual Report. Ms. Alice Bell moved to receive the reports as printed. Mr. Billy Bridges seconded, and the motion carried.

⑩ Mr. Dean, Chairman of the Board; Mr. Rick Vessell, Treasurer; Mr. Charlie McKinnie, Supervisory Committee Chairman; and Mr. Michael Mathews, President, gave their reports to the members.

⑪ Unfinished Business: None

⑫ New Business: None

⑬ Ms. Myra Dean moved that the meeting stand adjourned. Mr. Leonard Murrell seconded, and the motion carried.

The meeting was adjourned at 6:18 p.m.

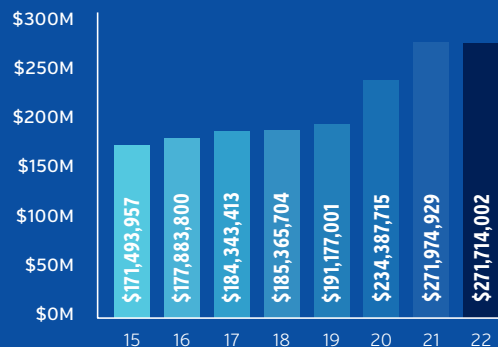
Jerry Dean, Chairman of the Board
Tonya Acuff, Secretary
Sandy Evans, Recording Secretary



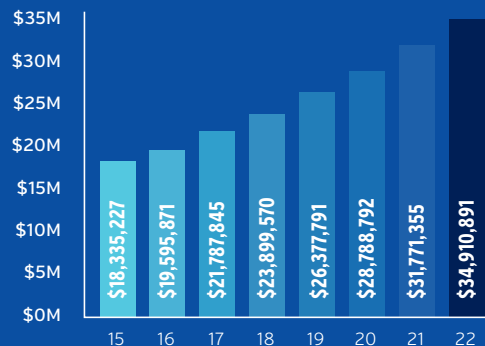
MUTUAL CREDIT UNION FINANCIAL STATEMENT

STATEMENT OF INCOME

INTEREST INCOME	2022	2021
Loans to members	\$7,443,215	\$6,620,487
Investments	2,330,071	1,440,945
Total Interest Income	\$9,773,286	\$8,061,432
INTEREST EXPENSE	\$1,316,454	\$863,803
Net Interest Income	\$8,456,832	\$7,197,629
PROVISION FOR LOAN LOSSES	\$1,316,187	\$572,566
Net Interest Income After Provision for Loan Losses	\$7,140,645	\$6,625,063
NON-INTEREST INCOME		
Fees, charges and other miscellaneous income	\$7,950,168	\$6,879,623
Net Income Before Non-Interest Expense	\$15,090,813	\$13,504,686
NON-INTEREST EXPENSE		
Compensation and employee benefits	\$5,217,060	\$4,690,147
Occupancy costs	741,566	758,975
Operating costs	5,806,280	5,524,667
Total Non-Interest Expense	\$11,764,906	\$10,973,789
NON-OPERATING INCOME (LOSS)	[205,344]	41,616
NET INCOME	\$3,120,563	\$2,572,513



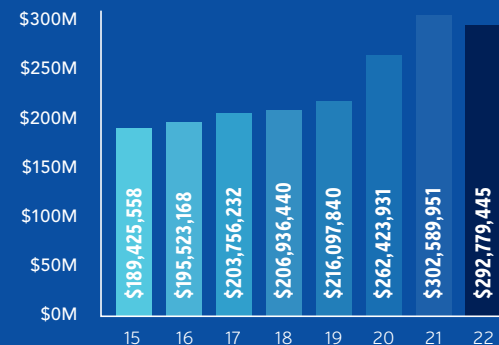
DEPOSITS



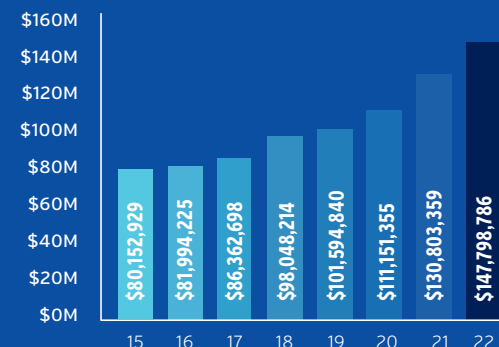
NET WORTH

STATEMENT OF CONDITION

ASSETS	2022	2021
Cash	\$19,533,957	\$24,155,874
Accounts receivable	251,678	735,417
Investments	101,441,731	123,266,656
Loans to members, net of allowance for loan losses	146,217,662	129,722,012
Accrued interest receivable:		
Investments	352,319	296,161
Loans	627,219	513,807
Prepaid and other assets	15,897,709	15,073,576
Property and equipment, net	5,859,045	6,367,795
NCUSIF deposit	2,598,125	2,458,653
Total Assets	\$292,779,445	\$302,589,951
LIABILITIES		
Members' shares and savings accounts	\$271,714,002	\$271,974,929
Dividends payable	64,405	63,874
Accounts payable	1,699,547	1,165,996
Other accrued liabilities	1,553,284	893,121
Total Liabilities	\$275,031,238	\$274,097,920
MEMBERS' EQUITY		
Regular reserve	\$3,631,096	\$3,631,096
Undivided earnings	30,038,855	26,918,291
Capital acquired through merger	1,240,940	1,221,967
Unrealized gain (loss) on investments	[14,734,897]	[1,229,379]
Accumulated other comprehensive loss	[2,427,787]	[2,049,944]
Total Members' Equity	17,748,207	28,492,031
TOTAL LIABILITIES AND MEMBERS' EQUITY	\$292,779,445	\$302,589,951



TOTAL ASSETS



LOANS TO MEMBERS



LOCATIONS

COLUMBUS, MS

59 YORKVILLE PARK SQUARE

Columbus, MS 39702
Ph: 662-327-7666
Fax: 662-329-4588

RAYMOND, MS

460 E. MAIN STREET

Raymond, MS 39154
Ph: 601-857-3249
Fax: 601-857-8766

YAZOO CITY, MS

1505 GRAND AVENUE

Yazoo City, MS 39194
Ph: 662-746-8884
Fax: 662-746-4832



HOURS OF OPERATION

LOBBY:

MON-THURS: 9:00am – 5:00pm
FRI: 9:00am – 5:30pm
SAT-SUN: CLOSED

DRIVE-THROUGH:

8:30am – 5:00pm
8:30am – 5:30pm
CLOSED



MAILING ADDRESS

P.O. Box 25
Vicksburg, MS 39181



EXECUTIVE LEADERSHIP TEAM

Michael Mathews, *CEO*

Jennifer Lynne McMillin, *CFO*

Stephanie Newsome, *VP of Compliance*

Tawana Dart, *VP of Finance*

Rae Perry, *VP of Human Resources*

Christy Pecanty, *VP of Information Technology*

Alice Bell, *VP of Lending*

Clara Kilman, *VP of Marketing*

Mia Mason, *VP of Operations*

BOARD OF DIRECTORS

Jerry Dean, *Chairman*

Leonard Murrell, *Vice Chairman*

Rick Vessell, *Treasurer*

Tonya Acuff, *Secretary*

Billy Bridges

Donna Hardy

Matt Hendrix

Jeb Tingle

Joe Tom

ASSOCIATE VOLUNTEERS

Laura Gullett

Philip Schrader

Alicia Bounds

MCU SUPERVISORY COMMITTEE

Charles McKinnie, *Chairman*

Ben Luckett

James Harper



SERVICES

- Rewards Checking and Savings Accounts
- Personal Loans
- Auto Loans
- Platinum and Rewards Credit Cards
- Home Loans
- Home Equity Lines of Credit
- Credit Counseling
- 24/7 Online Banking
- Mobile App for Android™ and Apple®
- Full-service ATMs accepting cash and check deposits
- Mobile check deposit
- Over 5,000 shared branches and 30,000 ATMs worldwide
- Online financial education



MUTUALCU.ORG



1-877-457-3654



MUTUAL
CREDIT UNION