

MOVING YOU FORWARD



ANNUAL REPORT 2023



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A Letter From the Chairman & CEO

In 2023, over 3,000 members joined Mutual, bringing total membership to 23,740. Mutual paid our members \$3,191,679 in dividends while at the same time providing over \$60,000,000 in loans. These loans allowed our members to experience their dream vacations, purchase a new vehicle, finish their home renovations, or enhance their everyday experiences. Our teams worked diligently throughout the year to ensure the needs of our members were met with grace and appreciation.

In 2023, Mutual finalized our conversion from a state charter to a federal charter, allowing us to expand our service area to assist more members and communities in our market. Increasing from seven (7) counties in Mississippi, our expanded footprint now spans fifty-two (52) counties in Mississippi, eight (8) parishes in Louisiana, ten (10) counties in Alabama, and two (2) counties in Arkansas. This expansion is the largest in the credit union's history and will allow Mutual to serve more members where they live, work, worship, and attend school.

Serving the needs of our members relies on advances in software and technology, and this landscape continues to evolve at an increasingly rapid pace. In 2023, the Board of Directors and Senior Management team decided a change was necessary to ensure Mutual could keep pace with our membership's needs. Be on the lookout for an announcement regarding our upcoming system upgrade and how it will impact you. We are confident the upgrades and updates will be well received and will improve our ability to provide you with the level of service you have grown to expect from Mutual.

Mutual expanded to Columbus, MS, in the spring of 2021 and has operated out of an outdated space in this market since. In late 2023, we acquired real estate to construct a new branch location and are working to finalize plans and construct a new branch location for this market. The leadership at Mutual plans to break ground in early 2024 and move into the new space in 2025. This will be the first branch addition since opening Yazoo City in late 2012.

Our focus remains on "Moving You Forward" as we step into 2024. Whether that means improving your credit score, buying your dream home, or putting your child in the driver's seat for the first time, Mutual is dedicated to making your financial goals a reality.

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 not only serves as the Internal Audit Committee but also represents you as the Mutual member. The Committee's responsibilities also include monitoring the performance of Mutual's elected Volunteer officials, Management and employees of Mutual.

The Mutual Supervisory Committee has retained the audit firm of Horne CPAs & Business Advisors to perform the 2023 Independent Quarterly Audits, an annual member verification of accounts, an annual IT audit, an annual Bank Secrecy Act (BSA) audit and a year-end opinion audit. Horne CPAs also performed 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 to develop an annual audit plan to make sure all phases of Mutual's operations are reviewed and audited. New regulations are imposed yearly, and the Supervisory Committee ensures that Mutual adheres to all of these. While Mutual strives to adhere to all the regulations from the National Credit Union Administration (NCUA), some areas must be addressed further, and those areas are quickly addressed by Mutual's Compliance Officer, who works with Management and the Supervisory Committee to adequately provide responses to the complete satisfaction of the NCUA and auditors.

The Mutual Supervisory Committee will also work with Management and the Board to assure members that the Federal Charter conversion and system upgrades will be seamless and will not interrupt the normal services we provide. These conversions and upgrades should be complete within the next year.

The Mutual Supervisory Committee, based on the audits and examinations made in 2023, is convinced that the affairs of Mutual are being handled properly 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.

Respectfully,



Charles A. McKinnie, Chairman, Supervisory Committee

Ben Lockett, Supervisory Committee Member

James Harper, Supervisory Committee Member



2023 Annual Meeting Minutes

FEBRUARY 16, 2023

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, P. Schrader

ASSOCIATE VOLUNTEER MEMBERS ABSENT:

A. Bounds

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

SUPERVISORY COMMITTEE ABSENT: None

OTHERS PRESENT: M. Mathews, President/CEO; R. Perry, VP of HR; C. Pecanty, VP of IT; C. Kilman, VP of Marketing; T. Johnston, Recording Secretary

- ① Mr. Jerry Dean welcomed everyone to the 92nd Annual Business Meeting of Mutual Credit Union; he announced that this meeting is being conducted as hybrid – in person and via virtual streaming. There were 29 members present, both in person and via live stream.
- ② Without objection, Mr. Dean appointed Ms. Tracy Johnston as Recording Secretary and Mr. Randy Sherard as Parliamentarian.
- ③ Mr. Dean gave the Invocation.

- ④ Mr. Dean recognized the veterans 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 91st Annual Business Meeting dated February 10, 2022. Mr. Matt Hendrix moved to suspend the reading of the minutes. Mr. Jeb Tingle seconded, and the motion carried.
- ⑦ Mr. Dean introduced the Volunteers.
- ⑧ Mr. Joe Tom, Chairman of the Nominating Committee, reported no petitioners for the vacancies on the Supervisory Committee or the Board of Directors. Ms. Tonya Acuff, Mr. Leonard Murrell and Mr. Matthew Hendrix were reelected by acclamation to another three-year term on the Board of Directors. Mr. Charles McKinnie was reelected by acclamation to another three-year term on the Supervisory Committee. Mr. Joe Tom

called for a motion to approve the reelection of Ms. Tonya Acuff, Mr. Leonard Murrell, Mr. Matt Hendrix and Mr. Charlie McKinnie. Mr. Jeb Tingle moved to approve the reelection of the candidates. Ms. Donna Hardy seconded, and the motion carried.

- ⑨ Mr. Dean called for a motion to receive the reports printed in the Annual Report. Ms. Susan McKinnie moved to receive the reports as published. Ms. Tonya Acuff 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/CEO, gave their reports to the members.
- ⑪ Unfinished Business: None
- ⑫ New Business: None
- ⑬ Ms. Myra Dean moved that the meeting be adjourned. Ms. Tonya Acuff seconded, and the motion carried.

The meeting was adjourned at 6:21 p.m.

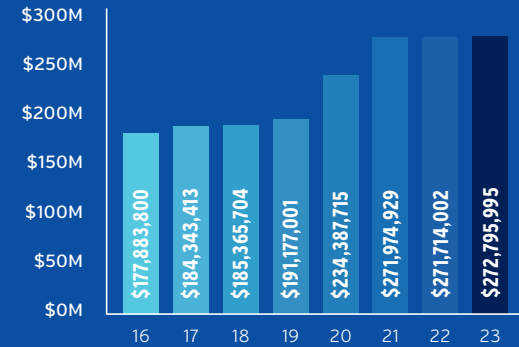
Jerry Dean, Chairman of the Board
Tonya Acuff, Secretary
Tracy Johnston, Recording Secretary



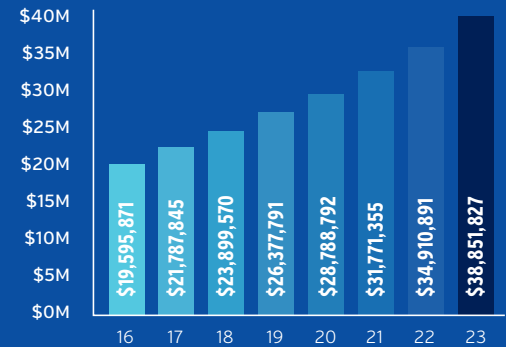
MUTUAL FEDERAL CREDIT UNION FINANCIAL STATEMENT

STATEMENT OF INCOME

INTEREST INCOME	2023	2022
Loans to members	\$9,271,371	\$7,443,215
Investments	4,023,073	2,330,071
Total Interest Income	\$13,294,444	\$9,773,286
INTEREST EXPENSE	\$3,191,679	\$1,316,454
Net Interest Income	\$10,102,765	\$8,456,832
PROVISION FOR LOAN LOSSES	\$1,642,294	\$1,316,187
Net Interest Income After Provision for Loan Losses	\$8,460,471	\$7,140,645
NON-INTEREST INCOME		
Fees, charges and other miscellaneous income	\$8,262,612	\$7,950,168
Net Income Before Non-Interest Expense	\$16,723,083	\$15,090,813
NON-INTEREST EXPENSE		
Compensation and employee benefits	\$5,207,767	\$5,217,060
Occupancy costs	713,734	741,566
Operating costs	6,521,746	5,806,280
Total Non-Interest Expense	\$12,443,247	\$11,764,906
NON-OPERATING INCOME (LOSS)	(106,566)	(205,344)
NET INCOME	\$4,173,270	\$3,120,563



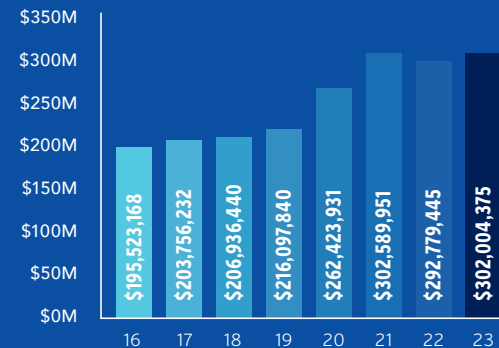
DEPOSITS



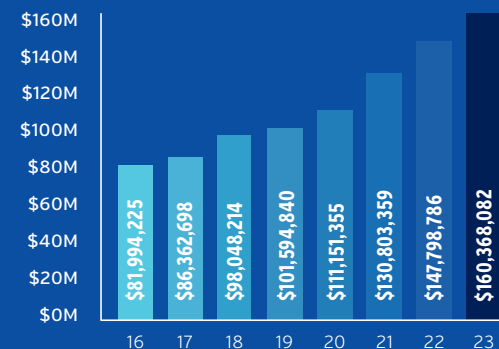
NET WORTH

STATEMENT OF CONDITION

ASSETS	2023	2022
Cash	\$28,175,539	\$19,533,957
Accounts receivable	156,514	251,678
Investments	88,722,050	101,441,731
Loans to members, net of allowance for loan losses	158,067,245	146,217,662
Accrued interest receivable:		
Investments	814,560	352,319
Loans	309,673	627,219
Prepaid and other assets	16,346,550	15,897,709
Property and equipment, net	6,858,576	5,859,045
NCUSIF deposit	2,553,668	2,598,125
Total Assets	\$302,004,375	\$292,779,445
LIABILITIES		
Members' shares and savings accounts	\$272,795,995	\$271,714,002
Dividends payable	210,841	64,405
Accounts payable	2,707,238	1,699,547
Other accrued liabilities	1,646,812	1,553,284
Total Liabilities	\$277,360,886	\$275,031,238
MEMBERS' EQUITY		
Regular reserve	\$3,631,096	\$3,631,096
Undivided earnings	33,979,791	30,038,855
Capital acquired through merger	1,240,940	1,240,940
Unrealized gain (loss) on investments	[11,897,663]	[14,734,897]
Accumulated other comprehensive loss	[2,310,675]	[2,427,787]
Total Members' Equity	24,643,489	17,748,207
TOTAL LIABILITIES AND MEMBERS' EQUITY	\$302,004,375	\$292,779,445



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



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