

CELEBRATING

85



years
of service

2021
Annual
Report

Our Leadership

Board of Directors

Harry Trawick, Chairman
Cecil Ethridge, Jr., Vice Chairman
Brannon Hicks, Sr., Secretary
Lawrence Mink, Treasurer
Joseph Bullard
James Caldwell
Dr. Brenda Davis
Dr. Jerri Hall
Jeanette Lamar

Supervisory Committee

Bruce Giroux, Chairman
Dr. Bob Cronin
Margaret Faircloth
Laura Kersey

Executive Team

Roy Bibb, President/CEO
David Bass III, Vice President Member Services
Eric Bobo, Vice President Lending
Bryttani Graddick, Vice President Administration & Human Resources
Wade Williamson, Vice President Support Services/CFO

Minutes from the Previous Annual Meeting

The Annual Meeting was held in a virtual format via Zoom at 4 p.m. on Wednesday, October 27, 2021.

The following Board of Directors were present: Harry Trawick, Joseph Bullard, James Caldwell, Dr. Brenda Davis, Cecil Ethridge, Brannen Hicks and Lawrence Mink. The following Supervisory Committee members were also present: Dr. Bob Cronin.

President/CEO, Roy Bibb, welcomed all guests. A quorum was declared and the meeting was called to order.

Mr. Bibb explained the reason for delaying the meeting from February to October, was to hopefully be able to meet in person. He then acknowledged our volunteer Board of Directors and Supervisory Committee members, thanking them for their dedicated service.

Board Chairman, Harry Trawick, gave the Report of the Directors. He stated that although we have had to learn to adapt to the pandemic, he believes that adversity provides us the opportunity for growth and excellence. The credit union's growth is evidenced by a total membership that has increased to over 40,000 members and assets that grew over \$50 million, to reach \$339 million in total assets. The credit union's excellence is evidenced by allowing 1,351 members to skip payments on their loans during the uncertainty of

the pandemic, without fee or penalty. We also temporarily stopped ATM fees, late fees, and other account fees during the worst part of the pandemic. Mr. Trawick expressed his gratitude to the credit union staff, Board of Directors and Supervisory Committee for their commitment to assuring MidSouth Community continues to focus on always doing what is right and serving our member-owners.

Mr. Bibb gave the Report of the President. He thanked the membership for their business and trust in MidSouth Community Federal Credit Union. For his 33-year career, Mr. Bibb has been lucky to work exclusively in the credit union industry. He has found it to be both enjoyable and rewarding. While he was disappointed that we could not be in person, he is happy to report that the credit union remains financially strong. COVID-19 has been a challenge and we have had to adjust to a new way of conducting business, even limiting services at times. In 2020, we had many highlights. We opened our third branch in Houston County, at the corner of Hwy. 96 and Lake Joy Road. The branch's convenient location has quickly become a member-favorite in south Houston County. As a value-added service, the MidSouth Mobile app now offers a remote deposit feature that allows members to take a picture of a check and deposit it into their account. Information about how

to complete a remote deposit within the app can be found on our website, under the e-Services tab. We continue to be strong community partners by providing financial support for our school systems and many valuable organizations such United Way of Central Georgia. In addition to financial support, our team members serve as volunteers in many facets within our community.

The election of Board Members was held. The MidSouth Board of Directors consists of nine members who are elected by the membership in groups of three for three consecutive years. This year the nominating committee consisted of the following members: Joann Bass, Dr. Bob Cronin and Gerald Stuart. They submitted the following slate to serve a three-year term: Dr. Brenda Davis, Cecil Ethridge, Jr. and Lawrence Mink. Since no one submitted a petition to run for the Board, the slate as nominated was elected.

In closing, Mr. Trawick shared that a copy of the 2020 Annual Report and a recording of the virtual Annual Meeting could be found on the credit union's website.

There was a door prize drawing based on those who were in attendance to the virtual Annual Meeting, and up to 20 members received a \$50 deposit into their savings account.

Message to Members

As we look back on 2021 and celebrate 85 years of serving the Middle Georgia community, we are amazed by the rapid rate of our growth. In 2021, we witnessed our assets grow from \$339 million to \$401 million. This growth was spurred on by member deposit growth of over \$59 million. As a historical perspective, from our inception in 1936 it took us 70 years to reach \$116 million in assets in 2006. In the last 2 years alone, we grew over \$116 million in assets. The opportunity to have a positive impact for our membership is demonstrated best by meeting our members' borrowing needs throughout the year. We are proud to report that in 2021 we originated over 5,100 loans, totaling more than \$133 million in automobile, personal, business, and home loans.

As we move forward in 2022, we will continue to look for new and better ways to serve you while maintaining our core values of serving each member with a compassionate, caring heart. In 2022, we will be choosing a new partner to deliver and improve our online and mobile banking platforms. As always, our goal is to provide the best service possible whether it is online, by phone, or in person. In addition to added service delivery options, we continue to make investments in our network by applying best practices to secure your private information. An update made to our network in 2021 has improved our network security and reduced the likelihood of service interruptions.

The unique nature of our economy and the economic stimulus packages over the last two years have had a profound impact on our growth. Growth alone is not our mission or purpose, but growth is a result of living up to core values and the credit union motto of "People Helping People." Our commitment to our values has resulted in a high level of member trust. The commitment we have to our membership also extends to our community where we partner with our employees to support numerous charities and local school districts.

Please know that we greatly appreciate your membership and your trust in our staff, management, and volunteer Board of Directors. Our focus in 2022 remains to make a difference in our member's lives and in our community by living up to our internal credo, "Every Moment Matters, Every Member Matters."

Harry Trawick, Chairman

Roy Bibb, President

Supervisory Committee Report

The Supervisory Committee has two primary responsibilities - 1) To ensure that a comprehensive financial audit of the Credit Union is performed at least annually, and 2) To monitor the Credit Union's internal controls to ensure compliance with applicable laws, regulations, and the Credit Union's policies.

The Committee has engaged Nearman, Maynard, Vallez, CPAs & Consultants, P.A., an independent public accounting firm, to perform the financial audit for calendar year 2021. As part of its responsibility to monitor the Credit Union's internal controls and compliance, the Committee oversees the internal audit function of the Credit Union. Working on the Committee's behalf, the Internal Auditor performs auditing procedures to obtain reasonable assurance that internal controls are in place and are followed to protect member assets. The Internal Auditor reviews and tests operational controls for adequate security and verifies MidSouth Community's

compliance with state, federal, and NCUA regulations and adherence to MidSouth Community's written policies and procedures. Management and the Internal Auditor periodically review the Credit Union's internal audit plan to assess and, under the guidance of the regulatory agencies, oversee the remediation of potential risks to the Credit Union's network; system and data security; privacy policies; business continuity; risk management; and related matters.

As a result of the internal and external audits, regulatory examinations, and meetings with the Credit Union's management and Internal Auditor, we believe the Credit Union's financial condition and its internal controls and procedures are sound. The Supervisory Committee commends the staff and Board of Directors for their dedication and service to your Credit Union.

Bruce Giroux, Chairman

VISION

We want to deliver **THE BEST FINANCIAL SERVICE** experiences our members have ever received, and create **THE BEST WORKPLACE** where our employees have ever worked.

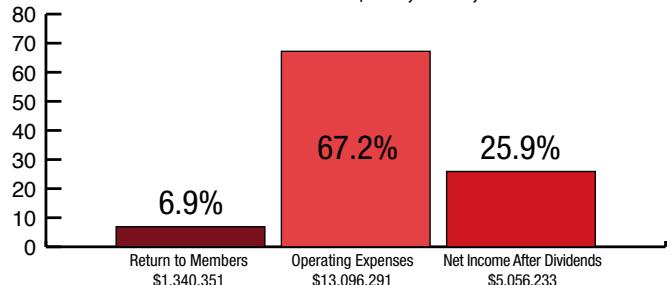
Statement of Financial Condition

The statement of financial condition of MidSouth Community Federal Credit Union covers the period from January 1 to December 31, 2021. An analysis of income, expense and disposition of net income for the year is as follows:

Income **\$19,492,875**
Expense **\$13,096,291**
Net Income Before Dividends **\$6,396,584**

Of the net income of \$6,396,584, for the year, \$1,340,351 was paid to members in dividends and the balance went to the undivided earnings.

Total Income \$19,492,875



The regular reserve of \$2,778,206 and the undivided earnings of \$43,582,856 at the end of the calendar year 2021 are visible evidence of the existence of a solid and secure financial institution.

Assets	2021
Consumer Loans	\$238,007,624
Business Loans	7,106,280
Less Allowance for Loan Losses	(2,982,204)
Net Loans	242,131,700
Cash	\$7,742,698
Deposits in Corporate CU	30,847,904
Other Investments	92,184,714
Land and Building	7,783,408
Furniture and Equipment	785,479
All Other Assets	19,605,719
Total Assets	\$401,081,622

Liabilities and Equity	2021
Dividends Payable	\$203,074
Accounts Payable	4,619,983
All Other Liabilities	1,439,647
Total Liabilities	\$6,262,704
Shares	\$128,222,090
Other Deposits.....	140,637,765
Checking	80,725,865
Total Shares	\$349,585,720
Undivided Earnings	\$43,582,856
Regular Reserve	2,778,206
Merged Equity	147,452
Unrealized Gain on Investments	(1,275,316)
Total Liabilities and Equity	\$401,081,622

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Statement of Income

Income	2021
Interest on Loans	\$10,799,653
Interest on Investments	1,070,504
Fees and Charges	7,238,822
Other Income	383,896
Total Income	\$19,492,875

Operating Expenses

Compensation	\$5,474,419
Employee Benefits	1,730,628
Travel and Conference	65,639
Association Dues	42,748
Office Occupancy	677,786
Office Operations	3,811,319
Provision for Loan Losses	117,970
Education and Promotions	268,365
Loan Servicing	403,624
Professional and Outside Services	385,364
Member Insurance	0
NCUA Operating Fee	76,632
Annual Meeting	1,450
Other Expense	2,601
Total Operating Expenses	\$13,058,545

Net Income From Operations	\$6,434,330
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Dividends Paid to Membership	1,340,351
Non-Operating Gains (Losses)	(37,746)

Addition to Undivided Earnings	\$5,056,233
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TRENDS AT A GLANCE

Membership

2018	39,563
2019	39,910
2020	41,604
2021	41,469

Assets

2018	\$261,342,079
2019	\$284,238,778
2020	\$339,254,356
2021	\$401,081,622

Checking Accounts

2018	21,067
2019	22,235
2020	23,799
2021	25,304

Loans Disbursed

2018	\$100,227,156
2019	\$105,637,968
2020	\$125,256,605
2021	\$122,782,174

Every *Moment* Matters.
Every *Member* Matters.

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