



MEMBERS FIRST
CREDIT UNION

2014 ANNUAL REPORT

Message from the Chairman



Robert G. Cooper

2014 Highlights

Last year we completed the new Harrison office, fulfilling many needs. The branch now offers you private offices, better parking, a more accessible drive-up with an ATM lane, and room to grow. The other branches have also been updated to reflect a consistent brand look and feel. We invite you to stop in to see your beautiful facilities and visit with our friendly, helpful staff.

We recently rolled out an update to our online banking and mobile banking platforms. The new platform provides a fresh, consistent experience across all channels no matter how you log into your accounts.

Making a Positive Difference in 2015

For 2015 our focus will continue to be on helping you improve your financial situation. We do that primarily by saving you money on the loans you need to buy a car, a home, finance your dream, or other reasons.

We have \$80 million dollars to lend and we would love to reserve some of that money for you. As a member-owned financial cooperative, we all benefit through higher savings rates and lower loan rates when we save together and borrow together.

This year we will be introducing an investment advisor program in partnership with CUNA Mutual Group. The advisor will be located at our main office in Midland and will be available to help you with investment decisions, financial planning, retirement planning, and more.

As always, we will continue to bring you new products and services to make a positive difference in your lives. Upcoming service offerings include: mobile deposit capture, electronic signature capabilities, and an enhanced online lending application and membership application process.

Serving our communities remains a vital component of our mission. We do so primarily through our Community Difference Project which was created to impact peoples' lives via staff volunteerism, performing good deeds, or providing support for people in need. We work closely with the United Way and we are proud to have been chosen as the 2015 "Caring Company of the Year" by the United Way of Midland County. Thank you for allowing us to help build a stronger community where you live.

As always, on behalf of our Board of Directors, our Supervisory Committee, and our employees; we thank you for your trust and loyalty. We truly appreciate you giving us the opportunity to Make a Positive Difference in your life and in the community.

Community Difference Project

We created the Community Difference Project to impact peoples' lives in positive ways. Whether it's to volunteer, perform a good deed, or provide support to people in need, we're here to create better lives for everyone in our community.

We are proud to share with you some of the events and organizations that we supported or volunteered with in 2014 in all the counties we serve, not only through the Community Difference Project, but involvement through volunteer hours, monetary donations and sponsorships.

- Adopt-a-Family
- Gas card giveaway in all counties we serve
- Hosted a food drive to support Feeding the Need
- Volunteered with Junior Achievement
- Participated in Project Kids Outreach
- Handed out gift cards to help people purchase groceries
- Paid off lay-away items during the holidays
- Hosted an animal supply drive at all branches
- Paid for families to visit the Pumpkin Patch in Midland
- Participated in the Special Olympics
- Sold paper Christmas trees to support the Harrison DHS
- Monetary donation to St. Jude's Children's Hospital
- Staff members donated to United Way in all counties we serve
- Helped build homes through Habitat for Humanity
- Volunteered to help students learn how to interview
- ALS Donation through the Ice Bucket Challenge
- Held our first ever Making a Positive Difference Week - handed out gift cards for gas and groceries, staff donated to wear jeans for a day and we handed out MFCU swag

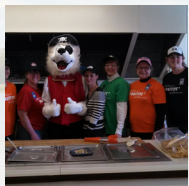
CommunityDifferenceProject.org



Dartmouth



Blue Grass



Harrison



Evart



Wackerly



Gladwin



Clare



Broadway

Making a positive difference in the lives of our members and communities.

Statement of Income & Expense

For the Years ended December 31, 2014 & 2013

	2014	2013		2014	2013
	Unaudited			Unaudited	
Interest Income			Operating Expenses		
Interest - Consumer Loans	\$7,284,119	\$5,904,251	Salaries & Benefits	7,712,709	6,344,393
Interest - Real Estate Loans	2,881,413	2,620,168	Training, Travel & Conference	369,872	336,442
Interest - Business Loans	<u>475,500</u>	<u>320,484</u>	Association Dues	23,092	21,772
Total Income From Loans	10,641,032	8,844,903	Office Occupancy & Operations	4,427,377	3,780,720
Income From Investments	<u>1,045,370</u>	<u>1,084,424</u>	Education & Promotion	586,158	593,963
Total Interest Income	<u>11,686,402</u>	<u>9,929,327</u>	Loan Servicing Expense	939,351	735,084
			Professional/Outside	298,164	145,879
Interest Expense			Misc Operating Exp	<u>8,915</u>	<u>126,079</u>
Dividends - Regular Shares	79,359	78,016	Total Operating Expense	<u>14,365,638</u>	<u>12,084,332</u>
Dividends - Share Drafts	33,827	25,551			
Dividends - High Yield Savings	35,190	47,028	Other Operating Income	<u>6,540,215</u>	<u>5,480,763</u>
Dividends - Super High Yield Savings	367,471	318,282	Net Before Non Operating Exp/Inc	<u>1,543,744</u>	<u>1,626,561</u>
Dividends - IRA Accounts	154,475	143,215	Non Operating Expense/Income	146,400	62,388
Dividends - Certificates	<u>543,364</u>	<u>599,671</u>	Net Income	<u>\$1,690,144</u>	<u>\$1,688,949</u>
Total Dividends	<u>1,213,686</u>	<u>1,211,763</u>			
Interest On Borrowed Funds	<u>1</u>	<u>2</u>	Statistics		
Total Interest Expense	<u>1,213,687</u>	<u>1,211,765</u>		2014	2013
Net Interest Income	10,472,715	8,717,562	Members	45,705	42,102
Loan Loss Provision	<u>1,103,548</u>	<u>487,432</u>	Loans	30,898	25,629
Net After Loss Provision	<u>9,369,167</u>	<u>8,230,130</u>	Delinquent Loans	301	173
			Delinquent Dollars	\$968,910	\$1,212,726

Statement of Financial Condition

As of December 31, 2014 & 2013

Assets	2014	2013	Liabilities	2014	2013
	Unaudited			Unaudited	
Consumer Loans	\$111,370,958	\$98,027,247	Accounts Payable &		
Real Estate Loans	74,708,166	69,964,295	Other Accrued Expenses	<u>2,178,777</u>	<u>1,304,214</u>
Business Loans	<u>12,050,229</u>	<u>7,805,710</u>	Total Liabilities	<u>2,178,777</u>	<u>1,304,214</u>
Total Loans To Members	198,129,353	175,797,252	Equity		
Allowance For Loan Loss	<u>(1,303,412)</u>	<u>(956,169)</u>	Share Savings	55,089,146	56,565,765
Net Loans To Members	196,825,941	174,841,083	Share Drafts	43,082,154	30,695,338
Cash & Cash Equivalents	16,376,721	15,234,308	High Yield Savings	16,112,267	20,277,402
US Govt. Agencies	40,038,742	48,018,953	Super High Yield Savings	116,403,832	105,383,807
Alloya Corporate Credit Union	4,251,802	5,004,316	IRA Accounts	18,351,885	17,769,934
Bank & Credit Union CDs	65,610,178	60,818,601	Certificates Of Deposit	<u>56,466,668</u>	<u>56,513,892</u>
Other Investments	<u>1,103,935</u>	<u>1,527,312</u>	Total Member Shares	305,505,952	287,206,138
Total Investments	127,381,378	130,603,490	Reserves	3,196,853	3,196,853
Land & Building Net	11,091,622	10,123,540	Undivided Earnings	31,010,645	29,321,696
Other Fixed Assets	1,388,957	1,152,448	Unrealized Gain/(Loss)	1,677	(51,644)
All Other Assets	<u>6,896,150</u>	<u>5,945,645</u>	YTD Earnings	<u>1,690,144</u>	<u>1,688,949</u>
Total Other Assets	<u>19,376,729</u>	<u>17,221,633</u>	Total Member Capital	<u>35,899,319</u>	<u>34,155,854</u>
Total Assets	<u>\$343,584,048</u>	<u>\$322,666,206</u>	Total Shares & Equity	<u>341,405,271</u>	<u>321,361,992</u>
			Total Liabilities & Equity	<u>\$343,584,048</u>	<u>\$322,666,206</u>



MEMBERS FIRST
CREDIT UNION

Federally Insured by NCUA

Making a
POSITIVE⁺
difference.

855.835.MFCU
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