

2020 SENIOR STAFF



FROM LEFT TO RIGHT: Michael Mathews, President; Jennifer Lynne McMillin, Chief Financial Officer; Alice Bell, VP of Lending; Susan Mandarin, VP of Marketing; Rae Perry, VP of Human Resources; Stephanie Newsome, VP of Compliance; Mia Mason, VP of Operations

MUTUAL CREDIT UNION

MAILING ADDRESS:

P.O. Box 25
Vicksburg, MS 39181

TOLL-FREE NUMBER:

1-877-457-3654

HOURS OF OPERATION:

	Lobby:	Drive-Through:
Mon - Thurs:	9:00am-5:00pm	8:30am-5:00pm
Fri:	9:00am-5:30pm	8:30am-5:30pm
Sat - Sun:	CLOSED	CLOSED

LOCATIONS:

Vicksburg, MS

1604 Cherry Street
Vicksburg, MS 39180
Ph: 601-636-7523
Fax: 601-630-9035

2086 S. Frontage Road
Vicksburg, MS 39180
Ph: 601-638-0140
Fax: 601-634-1733

4210 Clay Street
Vicksburg, MS 39180
Ph: 601-638-4521
Fax: 601-638-6863

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

SERVICES:

Rewards Checking and Savings Accounts
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Auto Loans
Platinum and Rewards Credit Cards
Home Loans
Home Equity Lines of Credit
Credit Counseling
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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

Jackson, MS

1400 Lakeover Road
Suite 140
Jackson, MS 39213
Ph: 601-362-7623
Fax: 601-362-7626



90 years
1931-2021

ANNUAL REPORT 2020



MUTUALCU.ORG • 1-877-457-3654



Our focus is you.

A Letter from the Chairman AND President

Wow! What a year 2020 has been for each of us. We never dreamed that our last thoughts from our 2019 annual meeting address would ring so true, "Whether it's online, over the phone, or at a branch, we look forward to continuing to serve you in 2020." Who could have imagined that a few short weeks later, we would be facing a world-wide pandemic that would force us all to rethink our daily lives? We feel compelled to start this year's annual meeting report by addressing the issues our communities have faced and the challenges that are still ongoing through the COVID-19 pandemic. We extend our deepest sympathies to those who have lost loved ones, those still fighting this deadly disease on the front lines, and those who are weathering the storms of job loss and financial insecurity for themselves and their families. Although this year separated us by distance, it brought us closer together in the credit union spirit of "People Helping People."

Throughout 2020, Mutual Credit Union adapted to every new challenge to meet member needs as the pandemic forced a shift to online and mobile services. As stay-at-home orders became more prevalent and ongoing, we offered increased services and opportunities to bank digitally. Lending and account operations offered online applications and electronic signatures to assist members wherever they might be located. While some closed their services or restricted access, we are proud that we pushed forward to provide solutions to meet each member's financial situation. We waived loan payments during a time of mass job losses and layoffs. We offered financial options for those in need while also making all stimulus funds available to our members as soon as we received them from the United States Treasury. We cannot say enough about our Mutual CU team's work and how each employee stepped up to assist during these trying times. It goes without saying that our focus continued to be our members during the most difficult of times.

As we look ahead to 2021, we are honored to celebrate a milestone anniversary of 90 years serving Mutual Credit Union members. What started from humble beginnings in 1931 has grown to serve seven Mississippi counties with over 22,000 members. Growth continued for us in 2020 with the successful merger with Valley Gas Employees' Federal Credit Union located in Jackson, MS. This addition expanded Mutual's service area and offered a wide array of financial products and services to the Valley Gas Employees' Federal Credit Union membership. We are proud of the work our team and the Valley Gas Employees' Federal Credit Union team conducted to make this merger possible. The trials faced in 2020 only served to make us stronger going into 2021. We are excited to introduce full-service ATMs and expansions of lending and electronic service options to all Mutual CU members in this upcoming year.

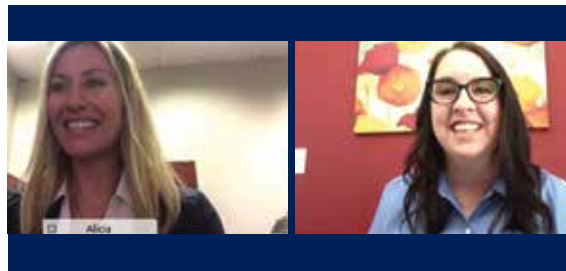
Thank you for entrusting us with your financial business and for your unwavering loyalty, feedback, and inspiration. We are honored to partner with you and to continue building a brighter future together. Every day may not be good, but there is good in every day.

Jerry W. Dean, Chairman
Board of Directors

Michael Mathews
President



Board of Directors (Left to Right) Seated:
Joe Tom; Donna Hardy Standing: Jeb Tingle;
Billy Bridges; Jerry Dean, Chairman;
Rick Vessell, Treasurer; Leonard Murrell,
Vice Chairman; Matt Hendrix
Not shown Tonya Acuff, Secretary



Associate Volunteers (Left to Right):
Alicia Bounds; Laura Gullett

Supervisory Committee's 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 the Mutual member. The Committee's responsibilities also include monitoring the performance of elected officials, management, and employees of Mutual.

The Mutual Supervisory Committee, even during the COVID crisis, meets monthly to select a sample of all new accounts, new loans, and all closed accounts to obtain the member response on how Mutual services were provided. Verification letters are sent out monthly and the member responses received are provided to the Board of Directors and Management. These responses help Mutual provide better services and products for the members.

The Mutual Supervisory Committee has retained the audit firm of Horne CPAs & Business Advisors to perform the 2021 Independent Quarterly Audits, an annual verification of accounts, an annual IT 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 State Department of Banking and Consumer Finance, along with the National Credit Union Administration (NCUA), some areas have to be addressed further, and those areas are quickly addressed by Management responses to the complete satisfaction of the NCUA and State examiners and auditors.

The Mutual Supervisory Committee, based on the audits and examinations made in 2020, is convinced that the affairs of Mutual are being handled properly and provides 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,

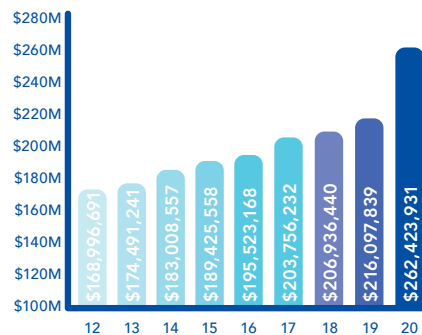
Charles A. McKinnie, Chairman – Supervisory Committee
Ben Lockett, Supervisory Committee Member
James Harper, Supervisory Committee Member



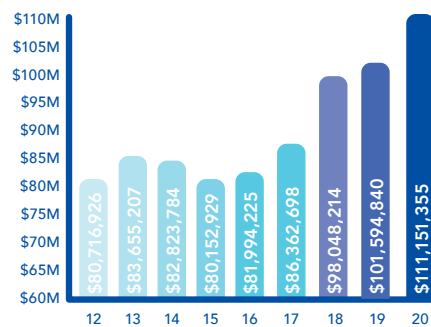
Left to Right:
James Harper; Charlie McKinnie, Chairman; Ben Lockett

STATEMENT OF CONDITION

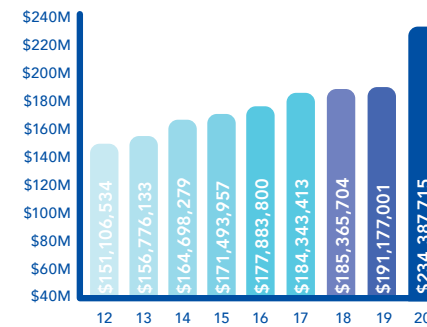
STATEMENT OF CONDITION	2020	2019
ASSETS		
Cash	\$25,305,035	\$16,994,502
Accounts receivable	570,600	238,581
Investments	106,684,084	78,395,761
Loans to members, net of allowance for loan losses	110,169,629	100,705,520
Accrued interest receivable:		
Investments	289,358	267,913
Loans	457,380	464,457
Prepaid and other assets	10,194,293	10,400,607
Property and equipment, net	6,648,076	6,818,712
NCUSIF deposit	2,105,415	1,811,787
Total Assets	\$262,423,931	\$216,097,840
LIABILITIES		
Members' shares and savings accounts	\$234,387,715	\$191,177,001
Dividends payable	52,584	45,744
Accounts payable	1,001,178	745,424
Other accrued liabilities	824,365	732,269
Total Liabilities	\$236,266,112	\$192,700,438
MEMBERS' EQUITY		
Regular reserve	\$3,631,096	\$3,631,096
Undivided earnings	25,157,696	22,746,695
Unrealized loss on investments	708,413	(98,865)
Accumulated other comprehensive loss	(3,339,386)	(2,881,524)
Total Members' Equity	\$26,157,819	\$23,397,402
TOTAL LIABILITIES AND MEMBERS' EQUITY	\$262,423,931	\$216,097,840



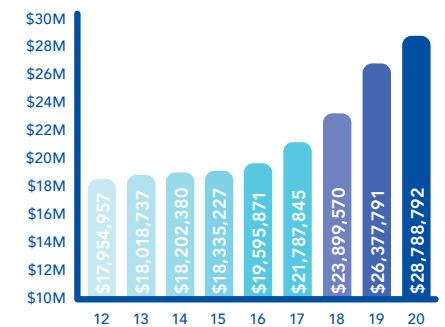
Total Assets



Loans to Members



Deposits



Net Worth

STATEMENT OF INCOME

STATEMENT OF INCOME	2020	2019
INTEREST INCOME		
Loans to members	\$6,108,757	\$5,882,514
Investments	\$1,420,844	\$2,040,561
Total Interest Income	\$7,529,601	\$7,923,075
INTEREST EXPENSE		
Members' shares and savings accounts	\$713,071	\$638,711
Net Interest Income	\$6,816,530	\$7,284,364
PROVISION FOR LOAN LOSSES		
Net Interest Income After Provision for Loan Losses	\$6,163,141	\$6,252,941
NON-INTEREST INCOME		
Fees, charges, and other miscellaneous income	\$5,001,126	\$5,492,000
Net Income Before Non-Interest Expense	\$11,164,267	\$11,744,941
NON-INTEREST EXPENSE		
Compensation and employee benefits	\$4,189,719	\$3,855,526
Occupancy costs	\$738,801	\$749,383
Operating costs	\$4,739,152	\$4,722,272
Total Non-Interest Expense	\$9,667,672	\$9,327,181
NON-OPERATING INCOME (LOSS)	\$297,790	\$60,459
NET INCOME	\$1,794,385	\$2,478,219

EIGHTY-NINTH ANNUAL MEETING OF MUTUAL CREDIT UNION

FEBRUARY 20, 2020

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

DIRECTORS ABSENT: J. Tingle

ASSOCIATE VOLUNTEER MEMBERS PRESENT: A. Bounds; A. Matthews

ASSOCIATE VOLUNTEER MEMBERS ABSENT: L. Gullett

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

SUPERVISORY COMMITTEE ABSENT: None

OTHERS PRESENT: M. Mathews, President; J. McMillin, CFO; R. Perry, VP of HR; M. Mason, VP of Operations; S. Mandarino, VP of Marketing; A. Bell, VP of Lending; R. Sherard, Board Attorney; S. Evans, Recording Secretary

1. Mr. Dean welcomed everyone to the Eighty-Ninth Annual Business Meeting of Mutual Credit Union. There were 35 members present.
2. Rev. Matt Buckles of First Baptist Church in Vicksburg, MS, gave the Invocation.
3. The Presentation of the Colors by Michael Green and David Wallace of Boy Scout Troop 102 was followed by the Pledge of Allegiance.
4. Mr. Dean recognized the veterans in the audience.
5. Without objection, Mr. Dean appointed Ms. Sandy Evans as Recording Secretary and Mr. Randy Sherard as Parliamentarian.
6. Mr. Dean declared that with the posting of this meeting on our website, in our newsletter, and in our branches, that 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.

7. Mr. Dean called for the reading of the minutes of the 88th Annual Business Meeting dated February 21, 2019. Mr. Art Evans moved to dispense with the reading of the minutes. Mr. Randy Sherard seconded, and the motion carried.
8. Mr. Dean introduced the Volunteers.
9. Mr. Joe Tom, Chairman of the Nominating Committee, presented the results of our Volunteer election, which was held electronically. Those elected were:
 - For a three-year term on the Board of Directors – Leonard Murrell, Tonya Acuff, and Matt Hendrix
 - For a three-year term on the Supervisory Committee – Charlie McKinnie
 - For a two-year unexpired term of Ty Wamsley – James HarperTom reported that we had 428 members vote electronically this year.
10. Mr. Dean called for a motion to receive the reports printed in the Annual Report. Ms. Jaynie Bridges moved to receive the reports as printed. Mr. Billy Bridges seconded, and the motion carried.
11. Mr. Dean, Chairman of the Board; Mr. Rick Vessell, Treasurer; Mr. Charlie McKinnie, Supervisory Committee Chairman; and Mr. Michael Mathews, President, made informal comments to the members.
12. Unfinished Business: None
13. New Business: None
14. Ms. Donna Hardy moved that the meeting stand adjourned. Mr. Joe Tom seconded, and the motion carried.

The meeting was adjourned at 6:20p.m.

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