



MARSHLAND
CREDIT UNION

Annual Board Meeting

April 17, 2024

- 5:30 pm Welcome
Invocation
Pledge of Allegiance
Introduction
Reading of Minutes
Chairman's Report
Treasurer's Report
Audit Committee Report
Scholarship Committee Report
CEO Comments
Old Business
New Business
Nominating Committee
6:30 pm Adjournment

CHAIRMAN'S REPORT



Good afternoon. It is with great pleasure and gratitude that I welcome you to our 71st annual meeting. My name is Paul McKenzie and I am honored to serve as your chairman. This afternoon, I look forward to sharing with you the progress we've made.

2023 was a remarkable year for our Credit Union, not only financially but also in our commitment to our members and the communities we serve. This year the State Bank and Finance Commission approved the expansion of our Field of Membership to add Camden, Charlton, Ware, Pierce, Appling and Long counties. With the expansion of these counties, Marshland Credit Union now serves 14 counties in Southeast Georgia. Financially, the Credit Union had the most profitable year in the history of our Credit Union with Net income of

\$1.35MM. Our Assets grew to \$223M giving us a net worth ratio of 9.23%, well above the 7% mark for a well-capitalized credit Union.

This year we completed the renovation of our operations center on Rose Drive, Gateway Center Blvd Office, and our Nahunta Branch. In addition, we opened a new drive thru ATM/ITM in Darien. Recently, we opened our first ITM at our Community Road Office to better serve our over 19,000 members. It is our plan to open 4 more ITMs in 2024. Lastly, we are pleased to announce that we will be opening a NEW Hospital branch located across from the cafeteria and to the left of the St Simons Tower's elevators in the Brunswick campus of Southeast Georgia Health System. The opening of that office is scheduled for June 1st.

We expect 2024 to be another year of growth and positive changes to make our member experience the best that we can provide. Thank you for your trust and continued support of Marshland Credit Union.

TREASURER'S REPORT



Marshland Credit Union continued to show a positive growth for 2023. Assets increased by 9.8%, ending the year just over \$222.6 million. Loans increased by 20% and now total \$146.6 million. Member shares (deposits) increased by 9.6%, totaling \$202.9 million at year end. Marshland's net worth ratio at year-end was 9.23%, well above the 7% requirement for well capitalized credit unions. Net income for 2023 was \$1,351,338.

Despite Rising interest rates, delinquent loans-to-total loans was .21%. Net charged-off loans-to-average loans was .22%. Both were well below peer averages of .63% and .32% respectfully.

On behalf of the Board of Directors and staff, I am pleased to share with you the Credit Union's record results. We look forward to another successful year in 2024.

Thank you for allowing me to serve as your Treasurer.

Respectfully submitted,

Kathy Grace

AUDIT REPORT



The Audit Committee is made up of four board members: Jim Anderson, Paul McKenzie, Mary Jenrette, Kathy Grace as Chairperson, and Collette Edge as the credit union liaison. This committee continues to be responsible for ensuring that required financial reporting. Objectives are met and that practices and procedures are in place to safeguard members' assets. Several outside professionals are engaged to assist in this verification process. We also work closely with the board to monitor economic trends that affect our community.

Nearman, Maynard, and Vallez, CPA, PC performed an audit of Marshland Credit Union's financial statements ending June 30, 2023. In their opinion, the financial statements present fairly, in all material respects, the financial position of the credit union as of June 30, 2023, and June 30, 2022, and the results of operations and cash flows for the years then ended in accordance with generally accepted

accounting principles in the United States. A copy of their report is available upon request.

CU Audit and Compliance Group provided internal auditing services to test the internal controls of the credit union and to assure that board policies are followed in specific operational areas. Their report concluded that the management team has established an effective system of internal controls and operates in compliance with board policies.

CU Audit and Compliance provided a specialist to review policies and practices on a quarterly basis. Those reviews focused on meeting the requirements of applicable laws and regulations. The minimal exceptions noted were routinely addressed by management.

The Georgia Department of Banking and Finance is the regulator for the credit union and performed an examination as of December 31, 2023. They reported that the credit union's condition continues to remain satisfactory. As a federally insured, state-chartered credit union Marshland Credit Union is also regulated by the National Credit Union Administration (NCUA), who concurrently completed an examination with the Georgia Department of Banking and Finance as of December 31, 2023.

Respectfully submitted,
Kathy Grace, Chairperson, Audit Committee

SCHOLARSHIP REPORT



On behalf of the Board of Directors I am excited to share that we have awarded \$12,500 in scholarships to five graduating high school seniors. All of our applicants were outstanding students. The applications were reviewed by our Marshland Memorial Scholarship Committee who then selected the recipients based upon their academic achievement, community involvement, recommendations, and other eligibility requirements.

The recipients this year are as follows:

2024 Scholarship Winners:

Chanthony Andrews, Jr. from Brunswick High School who will be attending Atlanta Clarke University;

Aiden Richard Jones from Wayne County High School who will be attending the University of Georgia;
Raygan Dalanie Dixon from Ware County High School who will be attending Jacksonville University;
Alicia Lee Joseph from McIntosh County Academy who will be attending Brewton-Parker College; and
Mariah Jade Mullis from Appling County High School who will be attending Coastal College of Georgia.

CEO REPORT



Good afternoon. I am Mary Jenrette and it is my honor and privilege to serve as your President and CEO. Thank you to the membership, our incredible staff, and Board of Directors for another successful year at Marshland Credit Union. Your presence here today either in person or virtually is a testament to the strength of our community and the commitment we all share in the support of the financial success of this organization.

It is that financial strength that allows us to continue to offer the very best rates possible on your deposits and loans and to give back to our community in a meaningful way.

As we gather here, it's moment to reflect on the milestone achievements we reached together over the past year. From expanding our field of membership into 14 counties, better digital experience, our growing ITM network, renovations of the Gateway and Nahunta office to enhance the member experiences, every step has been a collective effort.

Beyond the numbers, I want to emphasize the impact we've made in our communities. Whether it's through the financial literacy programs we sponsor in 8 area high schools, scholarships to local graduates, charitable contributions to more than 20 local organizations, being the presenting sponsorship of the 20th annual SGHS Bridge Run, or supporting local businesses, our credit union continues to be a force for good.

At the heart of everything we do lies our unwavering commitment to our members. Your needs and aspirations are the compass that guides our decisions and drives our actions, rest assured, we remain dedicated to serving you with excellence. As a token of our appreciation, we will be hosting a member's event on May 22nd from

11:00 am – 1:00 pm on the vacant lots adjacent to our main office. Look for more information in the coming weeks in your email.

As we look to the future, we are excited to announce the opening of a new branch in the Southeast Georgia Health System, Brunswick Campus and the renovation of our main office located at 3650 Community Road. We are excited about other opportunities that await us in the next year and I feel confident that with your continued support Marshland Credit Union will be stronger and better able to fulfill our mission of meeting the financial needs of our communities.

In closing, I want to thank you once again for your trust, loyalty, and partnership. Together, we've built something truly remarkable, and I'm excited about the journey ahead. Here's to another year of growth, prosperity, and shared success. Thank you.

MINUTES OF ANNUAL MEETING • APRIL 19, 2023

The 70th Annual Meeting of the Membership of Marshland Credit Union was held virtually via WebEx. There were 56 members in attendance.

Call to Order: Chairman of the Board of Directors, Paul McKenzie called the Annual Meeting of Marshland Credit Union to order at 5:30 p.m. after assuring that a quorum was present. Chairman McKenzie gave the invocation. Everyone was asked to stand for the Pledge of Allegiance. Members and guests were welcomed. Board members and Committee members were introduced.

Reading of Minutes: A motion was made and seconded to dispense with the reading of the minutes and approve them as submitted. The motion carried. Copies of these minutes were distributed with the Annual Report.

The Annual Report follows these minutes in its entirety.

Chairman's Report: Presented by Chairman Paul McKenzie. In January of this year Marshland Credit Union celebrated it's 70th anniversary. We are grateful to all the members and to Jay's Seafood and Chicken for making our celebration is big success. We look forward to serving this community for many more years. Financially 2022 was another good year with loan growth of 18% and deposit growth of 5%. We ended the year with a net worth ratio 9.51%, well above the 7% benchmark of a well-capitalized credit union. Our membership continues to grow. It is our roughly 18,000 members and dedicated staff that drives the everyday success of your credit union. On behalf of the Board of Directors, Management team and staff, we thank you for being part of Marshland Credit Union.

Treasurer's Report: Presented by Kathy Grace. Marshland Credit Union continued to show a positive financial year during 2022. Assets increased by \$534 thousand, ending the year just over \$202.7 million. Loans increased more than \$18.5 million and now total \$122.2 million. Member shares (deposits) increased by \$8.6 million and now total \$185 million. Marshland's net worth ratio at year-end is 9.51%, well above the 7% requirement for well capitalized credit unions. Net income for 2022 was \$373,741. Despite rising interest rates, delinquent loans-to-total loans decreased to .13% from .25% in 2021. Net charged-off loans-to-average loans decreased to .04% from .31% in 2021. Both are positive trends. Looking at the positive performance of your credit union over the last year, Marshland Credit Union continues to grow despite uncertainty in the global economy and higher than normal inflation. We are actively managing the loan and deposit portfolio to hedge against continued rising

rates and uncertainty in the local and global economy. We look forward to another successful year ahead in 2023. Thank you for allowing me to serve as your Treasurer.

Audit Committee Report: Kathy Grace presented the Audit Committee Report. Committee is made up of three board members: Jim Anderson, Mary Jenrette, Kathy Grace as Chairperson and Charlie Lovering as the credit union liaison. This committee continues to be responsible for ensuring that required financial reporting objectives are met and that practices and procedures are in place to safeguard members' assets. Several outside professionals are engaged to assist in this verification process. We also work closely with the board to monitor economic trends that affect our community.

Nearman, Maynard, & Vallez, CPA, PC performed an audit of Marshland Credit Union's financial statements ending June 30, 2022. In their opinion, the financial statements present fairly, in all material respects, the financial position of the credit union as of June 30, 2022, and June 30, 2021, and the results of operations and cash flows for the years then ended in accordance with generally accepted accounting principles in the United States. CU Audit and Compliance Group provided internal auditing services to test the internal controls of the credit union and to assure that board policies are followed in specific operational areas. Their report concluded that the management team has established an effective system of internal controls and operates in compliance with board policies. CU Audit and Compliance Group provided a compliance review specialist to review policies and practices on a quarterly basis. Those reviews focused on meeting the requirements of applicable laws and regulations. The few exceptions noted were routinely addressed by management. The Georgia Department of Banking and Finance is the regulator for the credit union and performed an examination as of June 30, 2022. They reported that the credit union's condition remains satisfactory. As a federally insured, state-chartered credit union, Marshland Credit Union is also regulated by the National Credit Union Administration (NCUA).

CEO Report: Presented by Mary Jenrette. Thank you to the membership, staff and our incredible board of directors for another successful year at Marshland Credit Union. Celebrating our 70th year in business was big milestone for us. It would not have been possible without the support of the members we serve. I have enjoyed hearing all the stories about how our credit union helped and continues to help our membership meet their financial needs. We are fortunate to have such a rich history with our local

educators, healthcare system and all our members in the counties we serve. Thank you.

2022 was a busy and incredibly productive year for Marshland. I spoke last year about instant issue debit cards, the upgrades to our online banking platform and the offering of Zelle. We have in fact, completed all those initiatives thanks to the hard work and long hours of the staff. The staff at Marshland is committed to delivering the best products possible to our members. This year we are pleased to introduce you to our “NetBranch”. We are bringing all our great products to our members via their mobile devices beginning June 30th. You will be able to open accounts, apply for a loan and speak to a live representative from the comfort of your home, office, poolside, or the golf course. We are anywhere you have a mobile device. 2023 will be another year of change and opportunities for Marshland. That’s what we do...look for ways to better serve our members. On behalf of the entire Marshland family, thank you for this opportunity.

Memorial Scholarships: Presented by DelRia Baisden, Chairperson of the Scholarship Committee. On behalf of the Board of Directors I am excited to share that we have awarded \$6,000 in scholarships to four graduation high school seniors. All of our applicants were outstanding students. The applications were reviewed by our Marshland Memorial Scholarship Committee who then selected the recipients based upon their academic achievement, community involvement, recommendations, and other eligibility requirements.

Please join me in congratulating our 2023 Marshland Credit Union Memorial Scholars! The recipients this year are as follows: Julianna Pittman from Brantley County High School; Klaire Murray from Wayne County High School; Ann Burdell from Glynn Academy; and Taniyah Battle from Brunswick High School.

Unfinished Business: None, New Business: None, Old Business: None.

Election: Chairman McKenzie explained that the Nominating Committee reviews the letters and resumes received from members requesting consideration to serve as a Director. Their responsibility is to select qualified individuals to fill each of three expired board seats. The Committee nominated John Catron, DelRia Tate Baisden, and Paul

McKenzie to again serve on the Board of Directors for a term of three years. Having received no petitions from the membership, Mr. Catron, Ms. Tate Baisden and Mr. McKenzie are elected by acclamation.