

# Michigan Legacy Credit Union

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**73<sup>rd</sup> Annual Meeting**

August 25, 2020



# A Message from the Board Chair

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**On behalf of the Board and Staff, welcome to your 2020 Annual Meeting and Election.** While this year is a little different with the virtual meeting due to the pandemic, we are excited to hear and see our credit union owners. For over 72 years, the credit union has been committed to providing financial services at competitive price offerings with an outstanding member experience.

The credit union finished the year with healthy loan growth and net membership growth. The loan growth increased by \$5,181,023 and our net membership increased by 1,054 new owners. Loan growth occurred in virtually all areas of the loan portfolio, including credit cards, new and used vehicles, mortgage loans, recreational vehicles and indirect auto loans.

The credit union remains financially strong with net worth of 10.19% as of December 31, 2019. The Board is excited about the future branching plans with new technology to ensure Michigan Legacy Credit Union remains competitive and successful in achieving its cooperative values for our owners.

The Board wishes to thank all the staff who are the front line and have continued to serve you since the pandemic began in early March and throughout the credit union's history and the Executive and Leadership Teams who implement the Board's vision and ensure the operations continue regardless of what new challenges come our way.

Michigan based & member owned since 1946.

**Bruce Crossman**

Board Chair

# A Message from the President/CEO

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**Welcome to the 73rd Annual meeting of Michigan Legacy Credit Union.** The credit union has big plans for our locations and technology innovation, and COVID19 has not stopped these plans and has affirmed the Board's decisions.

If the pandemic has taught us anything it is that to survive in the future the credit union must evolve. You our owners increased your mobile usage logins by over 48,000 from month end March to April. Owners resistant to utilizing technology were forced to with the onset of COVID19.

The pivotal view point we see is the relationship that is being built as our owners work through financial challenges and release the credit union is here to help. This help includes over \$4.5 million loan portfolio with payment deferments to grant owners the ability to breathe a little easier.

We couldn't be more excited about the plans for branches, the way we will process your transactions and the ease you will have to communicate with us and complete financial transactions, no matter where you are. Please reach out and ask us all the ways we can help you reach your financial goals.

Thank you to each of our owners for being part of your financial cooperative and sharing in the success.

It is our pleasure to serve you.

**Carma S. Peters**

President/CEO

# Treasurer's Report to the Ownership

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**BKD Certified Accountants** performed an annual audit for the fiscal year ending March 31, 2019, accompanied by an unqualified opinion letter dated July 8, 2019. A copy of the complete auditors' report is available for review upon request.

Due to the timing of this year's annual meeting, the audit for the fiscal year ending March 31, 2020 has been completed and will be presented at the 2021 Annual Meeting in April of 2021.

On the balance sheet ending March 31, 2019, assets increased from \$186,273,342 to \$212,674,658; loans increased from \$90,373,171 to \$98,790,535, and member shares increased from \$167,281,784 to \$192,150,828; and net income totaled \$386,045.

Net worth decreased from 10.79% to 9.88% (NCUA defines 7.0% as well capitalized), the decrease is mainly due to the large increase in member assets.

Included in this presentation are the audited balance sheet and income statement for the calendar year ending December 31, 2019.

It is a pleasure to provide the solid financial report to the owners of Michigan Legacy Credit Union.

**Jeanette McComb**

Treasurer

# 2019 Annual Meeting Minutes

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## 72<sup>nd</sup> Annual Meeting

Tuesday, April 21, 2019

1. The meeting was **called to order** at 5:05 p.m., by Acting Chair Bruce Crossman.
2. **CALL TO ORDER** - Bruce Crossman asked Secretary Golden if there was a quorum, Secretary Golden verified the quorum.
3. There were 14 eligible members present at the meeting, Carma Peters verified the presence of a quorum.
4. Bruce acknowledged the absence of Dennis David and reported to the members present Dennis' dedication to the credit union and some of the history and difficulties Dennis endured during his tenure as a Director.
5. Bruce also acknowledged the wonderful accomplishments of the credit union due to the staff, who are committed to moving the credit union forward and providing the service to our owners.
6. **Minutes** - Kevin made a motion to waive the reading of the minutes from the previous annual meeting, Jeanette seconded, with no opposition motion carried.
7. **Financial Report** - Bruce indicated the financials have been presented, the credit union had a great year last year. Bruce called for a motion, Kevin made a motion to accept the financials as presented, Dan seconded, motion carried.
8. **Chairman's Report** - Bruce indicated that his report will be on the website with the entire Annual Meeting report for anyone to read. Bruce asked for a motion to waive the reading the reports, Dan made the motion, Elizabeth seconded, motion carried.
9. **Treasurer's Report** - Treasurer's report was also included in the motion to waive the reading of reports.
10. **Nominating Committee** - Bruce introduced Dan DiBardino and Jeanette McComb who are the nominating committee, Bruce turned the meeting over to Dan. Dan and Jeanette reported Elizabeth Stucki and John Wist have submitted their names as nominees, and indicated a desire to run again for three year terms. Dan made a motion to accept the nominees by acclamation, Ron seconded, with no opposition motion carried.
11. **Old Business** - Bruce asked if there was any old business to come before the Board, no old business was presented.
12. **New Business** - there was any new business to come before the Board, no new business was presented.
13. Bruce asked for a **motion to adjourn**, Jeanette made a motion to adjourn at 5:12 p.m., Kevin seconded, motion carried.

# Financial Cooperative: 7 Principles

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**Voluntary**  
& Open  
Membership

**Democratic**  
Member Control

**Economic**  
Participation

**Autonomy &**  
Independence

**Education,**  
Training &  
Information

**Cooperation**  
among the  
Cooperative

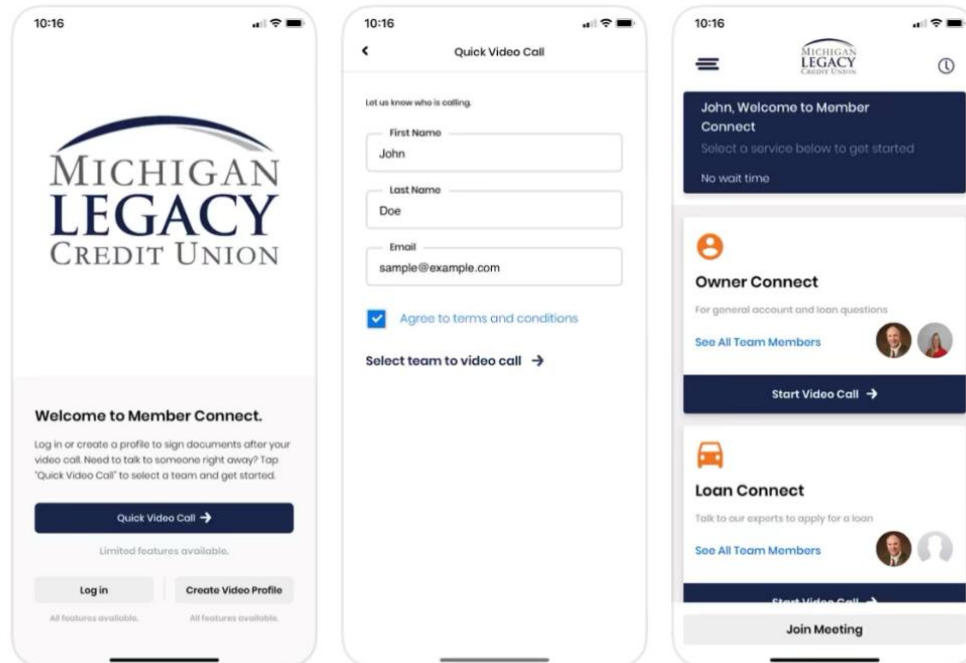
**Concern for**  
Community

# New Branch Opened July 6, 2020



Michigan Legacy M...  
Finance

OPEN



**Michigan Legacy Member Connect** is now available on the Apple App Store and Google Play Store!

Click this link to try it for yourself:  
[https://main.financialtown.com/michlegcu/instant\\_call](https://main.financialtown.com/michlegcu/instant_call)



# Branch Projects

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## Wyandotte Remodel

Slated to open, December 2020

## Warren addition

Slated to be completed,  
November 2020

## Flat Rock

New branch model slated to be  
completed, December 2020

## Pontiac

Looking for new location in 2021  
(estimated)

## Garden City

Complete rebuild in the same  
location, 2021

## Highland

A possible new site location,  
2021



# The Cooperative Difference

Financial products you need  
with service you can trust.

## Home Loans

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Your home is the largest investment you will ever make, so turn to the people you trust. Our Mortgage staff is dedicated to communicate each step.

One of our owners showed us his analysis of the “super fast” national lender, and while the rate appeared lower, when factoring in all the higher costs, Michigan Legacy was able to save this young couple thousands in interest on their first home.

Michigan Legacy’s mortgage volume increased when rates dropped. We met the challenge, offering no closing costs to save members even more money.

Michigan Legacy paid \$277,700 in closing costs for our members who closed a mortgage loan with us as of June 30, 2020.

## COVID Assistance

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- We acted swiftly to encourage electronic transactions
- We returned over \$110,000 in fees during the COVID crisis as of June 30, 2020
- Loan payments deferred totaled \$71,626.18
- 220 requested loan deferments were granted
- Stimulus payments were carefully researched to avoid unnecessary returns, making income disruptions for members as minimal as possible

## Products & Services

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This year, during the first pandemic of this magnitude since 1918, your credit union was prepared to serve you, minimizing risk through products and services. We launched a new video platform allowing you to work face to face with staff while putting your safety first.

We adapted to help you in innovative ways; mortgage loans were closed in cars, as well as auto loans and any other type of loan.

Home banking, Pay Anyone Anytime, and mobile logins increased dramatically in April.

You can now do any cashless transaction that you previously did in the branch from the convenience of your phone or desktop computer.

Michigan Legacy is leading the way into financial services for the future.

# Our Community Legacy

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Giving back to the communities we serve. **That's our legacy.**

**\$80,687.14**

Impacting our local communities in 2019

**\$154,812.97**

distributed to our charities since 2010

**\$36,671.97**

Donations to local charities near each branch in 2019

**\$31,015.17**

Financial education software tool support

**\$13,000.00**

13 college scholarships

# Financials

For the year ending  
December 31, 2019

## State of Financial Condition

### Assets

Net Loans	\$	104,632,804
Cash	\$	16,775,313
Total Investments	\$	81,178,993
Other Assets	\$	11,230,058
<b>Total Assets</b>	<b>\$</b>	<b>213,817,168</b>

### Liabilities & Equity

Notes payable	\$	0
Other Liabilities	\$	1,399,709
Brokered Certificates	\$	20,962,000
Members' Shares	\$	169,784,599
<b>Total Liabilities</b>	<b>\$</b>	<b>192,146,308</b>
Members' Equity	\$	21,670,860
<b>Total Liabilities &amp; Equity</b>	<b>\$</b>	<b>213,817,168</b>

## Statement of Operations

### Interest Income

Total Interest on Loans	\$	5,799,722
Total Interest on Investments	\$	2,008,377
<b>Total Interest Income</b>	<b>\$</b>	<b>7,808,099</b>

### Interest Expense

Total Dividends on Owner's Shares	\$	136,406
Dividends on Brokered Certificates	\$	204,441
Other Interest Expense	\$	736,205
<b>Total Interest Expense</b>	<b>\$</b>	<b>1,077,052</b>

### Net Interest Income

Net Interest Income	\$	10,613,132
Provision for Loan Losses	\$	1,186,906
Net Interest Income After Provision	\$	9,426,226
<b>Total Non-Interest Income</b>	<b>\$</b>	<b>3,882,086</b>

### Non-Interest Expense

Salaries and Benefits	\$	4,317,236
Other Expenses	\$	3,908,604
<b>Total Non-Interest Expense</b>	<b>\$</b>	<b>8,225,840</b>
<b>Net Income</b>	<b>\$</b>	<b>1,145,170</b>



# Agenda

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**73rd Annual Meeting**  
Tuesday, August 25, 2020

I. Call to Order

II. Verify Quorum

III. Minutes: Tuesday, April 23, 2019

IV. Approval of Financials

V. Chairman's Report

VI. Treasurer's Report

VII. New Business

VIII. Election of Directors

IX. Old Business

X. Q&A

XI. Adjournment

# Board & Staff

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## Board of Directors

Bruce Crossman - Chair

Ron Grobbel - Vice Chair

Kevin Golden - Secretary

Jeanette McComb - Treasurer

Elizabeth Stucki

Dan DiBardino

John Wist

Ellen Samyn - Associate Director

## Nominating Committee

Jeanette McComb

John Wist

## Executive Team

Carma S. Peters - President/CEO

Gary Leach - Executive Vice President/COO

## Leadership Team

Chrissy Hudzinski - Vice President of Operations

Jessica Schaffner - Vice President of HR & Training

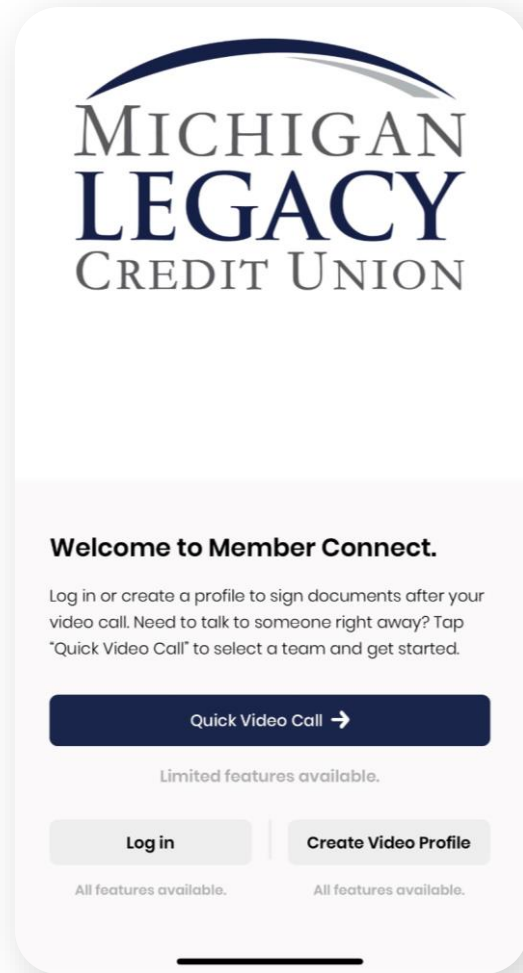
Pat Esper - Vice President of Card Services

Elizabeth Page - Vice President of IT & Facilities

Connie Jones - Vice President of Accounting

# Stay Updated on News & Current Info

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**The Michigan Legacy Connect App** is now available on the Apple App Store and Google Play Store!

Download it today or visit us online at [www.michiganlegacycu.org](http://www.michiganlegacycu.org) to learn more.



# Thank you!

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