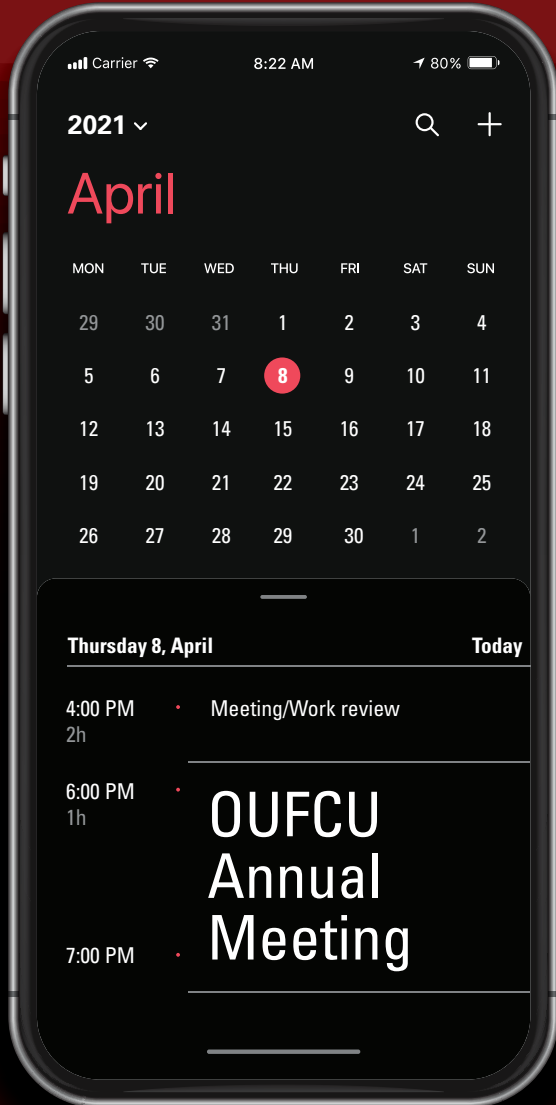




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# GOAL MISSION PHILOSOPHY

## Our Goal

To help our members achieve financial success.

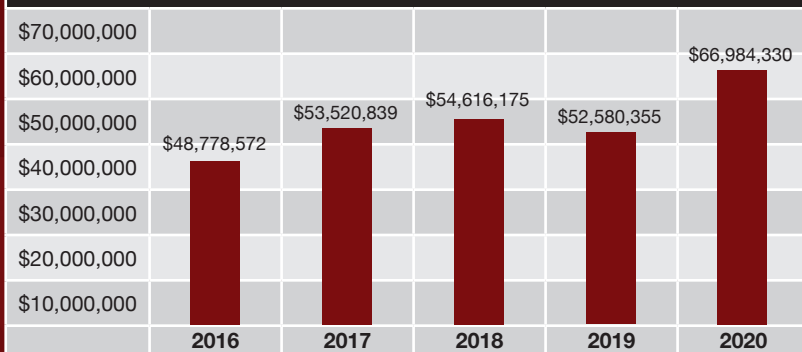
## Our Mission

To provide our members quality financial services including an opportunity to accumulate savings, establish credit, and enhance their financial well-being.

## Our Philosophy

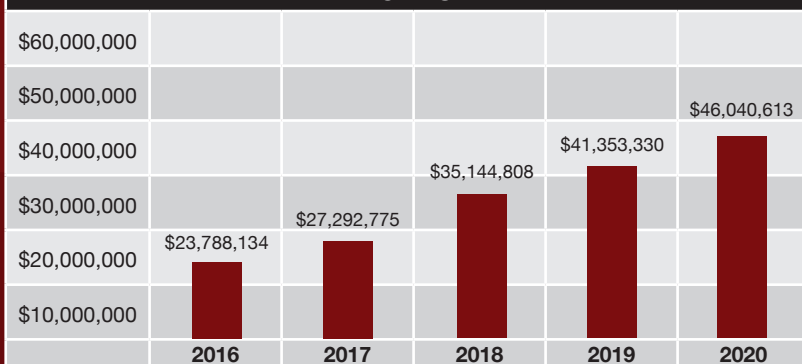
To serve our members in a courteous and professional manner. To offer them a variety of competitively priced products and services that not only meets but anticipates their needs. And to make these product offerings available through a channel of convenient and cost effective delivery options.

## ASSETS



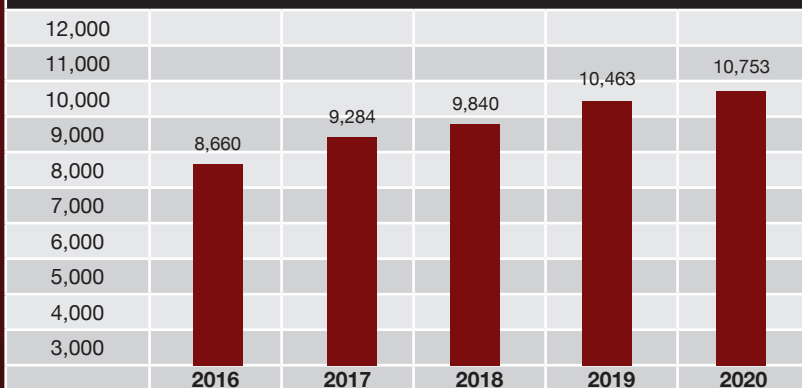
■ Assets

## LOANS



■ Loans

## MEMBERS



■ Members



# 2020 ANNUAL MEETING MINUTES

October 22, 2020

Michele Nabonne, Chairperson for the Board of Directors, called the meeting to order at 6:00pm after noting that a quorum was present.

## **Approval of Minutes**

Chairperson Nabonne called for a motion to approve the minutes of the 2019 Annual Meeting as presented. A motion was made by Board Director David Shirley, seconded by Board Vice-Chairperson Judy Smith and passed unanimously.

## **Report of the Chairperson, Treasurer, Supervisory Committee & President**

Chairperson Nabonne asked the members to review the Chairperson & President/CEO and Supervisory Committee reports in the Annual Meeting program. Chairperson Nabonne extended the Board's appreciation to the staff and the volunteers for their hard work in achieving the vision, mission and goals of the credit union despite the current economic and financial environment.

## **Unfinished Business**

There was no unfinished business.

## **New Business**

There was no new business.

## **Nominating Committee Report**

Chairperson Nabonne reported that Director Vincent Deberry was seeking re-election to a three year term following the expiration of his current term. Director DeBerry's biography was made available for review in the branches, on the website and in the quarter end statements sent to members.

Chairperson Nabonne asked if there were any nominations from the floor. Hearing none, Chairperson Nabonne asked for a motion to approve the nominated candidate by acclamation. Board Director David Shirley made a motion to approve the nominated candidate as presented. The motion was seconded by Board Treasurer Linda Holt and passed unanimously.

## **Open Discussion**

There was no open discussion.

## **Adjournment**

Chairperson Nabonne called for a motion to adjourn. Board Director David Shirley made a motion to adjourn that was seconded by member Jasmine Soler and passed unanimously.

Michele Nabonne, *Chair*  
Justin Davis, *Secretary*



**Michele Nabonne**  
Chairperson



**Judy Smith**  
Vice-Chairperson



**Linda Holt**  
Treasurer



**Justin Davis**  
Secretary



**Robin Davis**  
Director



**Vincent Deberry**  
Director



**David Shirley**  
Director



**Greg Kunesh**  
Director Emeritus



**Paul Wilson**  
Director Emeritus



## BALANCE SHEET\*

ASSETS	2019	2020
Total Cash & Equivalents	\$713,688	\$1,046,067
Loans to Members	\$41,353,330	\$46,040,613
Allowance Loan Loss	\$434,680	\$357,635
Total Investments	\$9,011,265	\$17,498,307
Fixed Assets	\$995,213	\$1,347,704
Other Assets	\$941,539	\$1,409,274
<b>Total Assets</b>	<b>\$52,580,355</b>	<b>\$66,984,330</b>
Total Savings	\$2,984,277	\$30,262,847
Total Checking	\$17,118,492	\$21,137,708
Total Money Market	\$2,080,407	\$2,958,770
Total Share Certificates	\$512,763	\$5,038,911
Total Non Mbr Deposits	\$0	\$1,240,000
<b>Other Liabilities**</b>	<b>\$625,237</b>	<b>\$822,986</b>
Total Shares & Deposits	\$46,695,939	\$60,638,236
Total Equity	\$5,259,179	\$5,523,108
<b>Total Liabilities</b>	<b>\$52,580,355</b>	<b>\$66,984,330</b>

## INCOME STATEMENT\*

	2019	2020
Interest on Loans	\$1,947,044	\$2,271,041
Interest on Investments	\$242,536	\$120,245
Interest Expense	\$44,369	\$122,928
<b>Net Interest Income</b>	<b>\$2,145,211</b>	<b>\$2,268,358</b>
LIABILITIES	2019	2020
Non-Interest income	\$1,225,192	\$935,792
Operating Expenses	\$2,402,446	\$2,470,939
Provision for Loan Loss	\$432,863	\$545,001
Non-Operating Exp (Inc)	\$1,745,591	\$-\$75,720
<b>Net Income</b>	<b>\$501,208</b>	<b>\$263,929</b>

## HIGHLIGHTS

Members	10,463	10,753
Regular Shares	10,634	11,775
Lil Boomer	193	201
Sooner Teen	150	159
Savings Accounts	11,992	12,135
Checking Accounts	7,723	7,180
Certificates	23	74
# of Loans	2,475	2,483

## ASSETS, LOANS AND MEMBERS\*

	2016	2017	2018	2019	2020
Assets	\$48,778,572	\$53,520,839	\$54,616,175	\$52,580,355	\$66,984,330
Loans	\$23,788,134	\$27,292,775	\$35,144,808	\$41,353,330	\$46,040,613
Members	8,660	9,284	9,840	10,463	10,753

\*Data as of December 31.

\*\* Includes accumulated unrealized losses from AFS.

A vertical image on the left side of the page shows a hand holding a silver pen, pointing at a document. The document features blue bar charts and line graphs. The background is slightly blurred, showing more of the document and a desk.

# SUPERVISORY COMMITTEE REPORT

**Vincent Deberry,**

Supervisory Committee Chairperson

OU Federal Credit Union's Supervisory Committee is a volunteer group comprised of three credit union members who are appointed by the Board of Directors. The committee assists the Board with overseeing the integrity of the credit union's financial statements. In addition, the committee participates in overseeing internal controls, internal and external auditors and compliance with legal and regulatory requirements.

The Supervisory Committee engaged Clifton Larsen Allen, LLC. to perform minimum supervisory committee procedures set forth in Appendix A of the Supervisory Committee Guide for Federal Credit Unions, in accordance with Part 715 of the National Credit Union Administration Rules and Regulations. The results of the annual Supervisory Committee procedures for the year ended December 31, 2020, presented by the Supervisory Committee to the Board of Directors, indicated that the credit union has complied with the accounting, financial reporting and internal control requirements set forth by Part 715 and Appendix A.



# TREASURER'S REPORT

**Linda Holt**, *Treasurer*

In 2020, OU Federal Credit Union earned \$263,929 versus \$501,208 for year ending 2019 with Net Loan Growth of over \$5M. This growth in loans was the strongest contributor to the increased income as was a keen eye on expenses including loan losses and operating expenses. Assets were up to \$66.9M as part of a five year strategic initiative to grow assets, loans and memberships.

The credit union reviewed and selected a new core banking system in 2020 that features a fully integrated mobile app that will deploy in Third Quarter, 2021. The new system will feature text message alerts for fraud, the ability to turn debit cards on and off and free mobile deposit, bill pay and P2P transfers. This capital investment will bring greater access and control for members to the products and services the credit union has to offer and integrate account aggregation services for all members.

OU Federal Credit Union's liquidity position in 2020 remained strong as the credit union continued to release deposits early as a valued service to its members. OU Federal's Capital Ratio ended at 8.25% indicating a well-capitalized position and membership

gains were over 2.5% as the credit union approaches 11,000 members. Delinquency was at an all time low while Return on Assets remained strong at 0.44%.

OU Federal Credit Union did not increase its investment holdings in bank certificates and mortgage back securities in 2020, preferring to maintain liquid funds in a high yield account that generated above market rates. COVID 19 presented its share of challenges to the income statement and balance sheet but the credit union deployed all available resources to reduce expenses, increase employee productivity and maintain a solid financial performance during these challenging times.

Looking forward to 2021, the Management Team and the Board will continue what it started 67 years ago to provide the best in products and services with the greatest return to our valued members.

# CHAIRPERSON'S/ PRESIDENT REPORT

When you take a moment to really reflect, it's amazing to think about how much our community, country and world have changed in the past 67 years. How we communicate, travel, and go about our day have greatly evolved, and while we are forever thankful for new ideas and technologies, some of the best things in life are those that remain constant.

COVID 19 and the adjustments it brought have irrevocably changed how we interact with each other, the companies we choose and the way we live our lives. As a credit union, OU Fed rose to the challenge in 2020 by deploying remote personnel, enhancing mobile services and access and changing the way we do business. The credit union streamlined member requests through electronic communication, helped over a thousand people join the credit union and ended the year with an efficiency ratio that reflects this hard work. Loan growth topped 11% while the credit union had Net Worth Growth of 5.02% and membership growth of 2.77%.

To help our members through these difficult times, the credit union reduced its fees and worked closely with members to assist them during this difficult time with loans, fee waivers and loan modifications as needed. This work was complimented through enhanced online messaging and an expeditious online loan and membership process.



**Michele Nabonne**  
Chairperson

**Dr. Shannon Hudzinski**  
*President/CEO*

## **2021 and Beyond**

In 2021, the credit union will deploy an enhanced mobile app with debit card integration, bill payment, P2P capabilities, and online loan and account origination. This powerful tool will revolutionize how members manage their finances and allows them to customize their technology experience. Members can turn their debit card on and off, receive alerts about fraud or unusual activity on their card, all while paying bills, sending money to friends or applying for a loan or additional service.

The Board of Directors remains committed to a growth model that supports our members and aids their financial success. In the coming years, the credit union will expand its products and services while enhancing facilities, contact points and making banking easy and convenient.

## **What we do and how we do it is all member centric**

We continue to make changes to our products and our infrastructure in order to make your financial relationship with OU Fed something that delivers significant benefit to you. In 2020 our focus on the member manifested itself largely in the delivery of new technology as we prepared to deliver our new mobile and online banking platforms. These new technologies coupled with our emphasis on security give our members every confidence that they can safely and conveniently use our digital products.

## **Our sense of purpose guides our day to day activities.**

We remain committed to serving you and to providing you with ever-increasing value. Thanks again to you, our members. We continue to be humbled by the confidence and the loyalty you demonstrate in trusting us with your financial transactions. We continue to do things the right way, the OU Fed way.



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