

Affinity First FCU

61st Annual Meeting

June 18, 2020

Report Packet

Secretary Report

Darlene Abel

2019 Annual Meeting Minutes

60th Annual Meeting • Thursday, June 13th 2019 • Knights of Columbus

Call to Order: The meeting was called to order at 7:59pm. A quorum was established by Darlene Abel.

Minutes: Minutes for the last meeting were approved as written in the brochure.

Brady Martz: Alex Kalliokoski, auditor from Brady Martz, provided an audit out brief of the recent audit done at Affinity First FCU. He stated that the Credit Union is doing well.

Supervisory Committee Report: Shane Luke gave the report as written in the brochure. It was approved as written.

Treasurer's Report: Sue Brandvold gave the report as written in the brochure. It was approved as written.

Nominating Committee Report:

Expiring Terms: Sue Brandvold, Leo Duchsherer

Names Submitted to Nominating Committee: Sue Brandvold and Leo Duchsherer. Election Results: Congratulations to Sue Brandvold and Leo Duchsherer!

Old Business: None

New Business: None

Meeting Adjourned: Meeting adjourned at 8:06pm

Chairperson's Report

Susan Brandvold

It is an honor and a privilege to report on our progress this past year. Your credit union has a proud history and you choose us to be your primary financial institution. We take that very seriously.

In November of 2019, Janice Katin, retired for the 2nd time. She was able to provide us with great insight and knowledge during her time here at Affinity, thus having a great NCUA audit again this year. Her replacement, Kelly Duchsherer, was selected to become the CEO of the Credit Union. We feel that Kelly, with her years of experience, will provide the Credit Union with great leadership and direction to continue to grow for the members.

I want to express my sincere gratitude to my fellow board members, the supervisory committee members and the entire staff for their diligent and dedicated service in maintaining a healthy and prosperous organization. Their efforts in supporting the mission of the credit union and serving the members' are the keys to our continued success.

With a new CEO in place, we are working towards a planning session, however, in the beginning of 2020, the COVID-19 pandemic arose, making it challenging to meet face to face for many of our planned activities. Kelly faces some new challenges; in keeping the staff safe, the members safe yet keeping the credit union open for business on a daily basis. She met those challenges head on and succeeded utilizing technology to make things happen in a positive way.

In closing, I would like to thank all of our members for your commitment and trust over the years.

President's Report

Kelly Duchsherer

What a way to start 2020 and my time with Affinity First as President! We are definitely living in unprecedented times and have been maneuvering through uncharted territory. I want to thank our staff, Board of Directors, volunteers and most importantly you, our members. You have helped Affinity First change, adapt and remain financially strong through the COVID 19 pandemic. Please know that every decision we have made is for the safety of our staff, our community and our members.

After 22 years of serving you in many different capacities, I am proud to now be your President. My main goal is to continue the success that Affinity First has had over the past 61 years while maintaining the great relationship that we have with each of our members and welcoming new members along the way! I will be pursuing ways to enhance your financial experience, not only in person but virtually as well.

Looking to the rest of 2020, we are adding a Mobile Wallet feature to our services. Mobile Wallet includes adding the Samsung Pay, Google Pay, and Apple Pay functionality to your debit and credit cards. We are always looking for additional services that enhance the value of your credit union membership!

I am honored to be leading such a fantastic financial institution with the best staff and volunteers. I look forward to serving you for many more years to come.

Supervisory Committee Report

Darcy Christianson

In 2019, our longtime Supervisory Committee Chairperson, Shane Luke, relocated and vacated his position. We thank him for his dedication to the Credit Union over the years.

The Supervisory Committee continues their dedication to ensuring the safety and soundness of Affinity First FCU.

Committee members: Felisha Henning, Chairperson
Kim Newman
Marcell Johnson
Darcy Christianson, Board Liaison

Treasurer's Report

Darlene Abel

During 2019, Affinity First experienced continued success and the commitment to serving our members remains at the forefront. Lasting success throughout the years is thanks to our greatest assets, the members of Affinity First Federal Credit Union.

Affinity First ended the year at \$48,616,065 in total assets. Of those assets, \$25,240,790 consists of loans to our members. We hold \$40,962,827 in deposits for members of AFFCU. For 2019, Affinity First recognized \$215,286 in net income. Affinity First paid \$371,204 in share and certificate dividends.

As always, Affinity First continues to implement new policies to evolve with the changing times and look for new services to offer our members. Your Board and Staff are dedicated and ready to adjust as the times demand. We are committed to protecting your assets, offering competitive rates and services, and to remain the full service financial institution that you have grown to trust.

Treasurer's Report, continued

Financial Statement December 31, 2018 and 2019

ASSETS	2018	2019
Loans to Members	\$ 26,610,733	\$ 25,240,790
Less Allowance for Loan Loss	\$ (218,778)	\$ (193,951)
Cash on Hand	\$ 7,916,657	\$ 5,822,543
Investments	\$ 12,285,000	\$ 16,135,000
Furniture & Fixtures	\$ 52,721	\$ 1,696
Other Assets	\$ 207,623	\$ 174,555
Land & Building	\$ 1,087,714	\$ 1,037,114
NCUSIF	\$ 413,453	\$ 398,318
TOTAL ASSETS	\$ 48,355,123	\$ 48,616,065
LIABILITIES & EQUITY		
Accounts Payable	\$ 69,269	\$ 120,019
Notes Payable	\$ -	\$ -
Dividends Payable	\$ 28,666	\$ 36,665
Shares	\$ 22,186,628	\$ 22,911,553
Certificate Accounts (Reg & IRA)	\$ 12,978,224	\$ 11,973,751
Share Drafts	\$ 5,811,069	\$ 6,077,522
Regular Reserve	\$ 404,171	\$ 404,171
Undivided Earnings	\$ 6,877,097	\$ 7,092,383
TOTAL LIABILITIES & EQUITY	\$ 48,355,123	\$ 48,616,065
STATEMENT OF INCOME & EXPENSE		
INCOME		
Interest on Loans	\$ 1,385,972	\$ 1,349,716
Investment Income	\$ 367,810	\$ 452,804
Other Income	\$ 542,451	\$ 503,853
TOTAL INCOME	\$ 2,296,233	\$ 2,306,373
EXPENSES		
TOTAL OPERATING EXPENSES	\$ 1,558,710	\$ 1,719,882
DISTRIBUTION OF INCOME		
SHARE DIVIDENDS	\$ 307,435	\$ 371,204
CAPITAL & RESERVES	\$ 430,088	\$ 215,286

Nominating Committee Report

Leo Duchsherer

Nominating Committee Members

- Darlene Abel
- Donald Andrews
- Leo Duchsherer

One name was submitted to the committee for one (1) three (3) year term on the Affinity First Federal Credit Union Board of Directors. The committee proudly places the following name in nomination with the chairperson of the Board of Directors:
Darcy Christianson

Congratulations to Darcy Christianson, elected to a three year term.