



## Magnolia Federal Credit Union's 90th Annual Meeting Minutes

Tuesday, January 28, 2025

MS Ag Museum, Jackson, MS

### ATTENDING

Board of Directors, Supervisory Committee, CEO, Vice Presidents, staff, and members of the credit union.

### CALL TO ORDER

The 90th Annual Meeting of Magnolia Federal Credit Union was called to order at 6:15 p.m. by Mary Barrett, Chairman of the Board of Directors. Supervisory Committee member and Chaplain at the VA Medical Center, David Allen, gave the invocation and Kimble Funchess's jazz band performed the National Anthem. Chairman Barrett thanked our members and volunteers for joining us. She also thanked Penn's Restaurant for providing dinner.

### READING OF THE MINUTES

Chairman Barrett invited a motion to dispense with the reading of the minutes of the 89th Annual Meeting held on January 23, 2024. The minutes were provided for review on the Magnolia Federal Credit Union website during registration and shared by email. A motion was made to dispense with the reading of the minutes; the motion was then seconded, and the motion was carried. The meeting minutes were accepted as printed.

### BOARD OF DIRECTORS' REPORT

Chairman Barrett delivered the Board of Directors' Report. She recalled that last year, she noted that COVID-19, the flu, and RSV are amongst us and are projected to remain for a while per expert opinion. She stated that today we face most of the same issues as in the past: inflation, increasing cost of groceries, mortgage rates, rising vehicle costs and entertainment. She informed attendees that Magnolia Federal Credit Union has options to help its members plan accordingly and navigate the economic scene.

Chairman Barrett shared that the members of the Board of Directors are all members of Magnolia and unpaid volunteers. These volunteers freely donate their time, knowledge, and energy toward adopting policies and procedures and conducting continued oversight of those policies and procedures at work in the credit union. Chairman Barrett introduced the Board of Directors: Keith Buchanan, Vice Chairman of the Board, Linda Watson, Secretary, Robert Stringer, Charles Mullins, Grayland Fredericks, and Barry McNair.

Keith Buchanan served as the Director of Physician Relations at St. Dominic's Hospital. Linda Watson retired from the VA Regional Office after a career in fiscal services as a Management Analyst. Robert Stringer retired from the VA Medical Center as EEO Manager. He served on and was Chairman of the Supervisory Committee at Magnolia for 11 years before being elected to the Board of Directors in 2012.





Charles Mullins served in the financial management industry for 48 years as a Certified Public Accountant, Certified Internal Auditor, and credit union CEO. Grayland Fredericks retired from the VA Medical Center, where he worked as the Chief of Logistics, and he is a veteran of the United States Army. Barry McNair is the Business Development Manager with Business Systems and Consultants. Mr. McNair served on Magnolia's Supervisory Committee for five years before his appointment to the Board. Chairman Barrett is an attorney and retired from the VA, where she worked as Regional Counsel.

The Supervisory Committee members, just like the Board, are volunteers appointed by the Board to serve. They attend our monthly Board meetings, meet regularly with our external auditors, and report the auditor's findings to the Board. The Supervisory Committee is responsible for oversight of the credit union. The Committee will present its report shortly.

Next, she recognized the 2024 scholarship winners. The \$1,000 Dave Bergstrom Educational Scholarship named in honor of former CEO and air force veteran Dave Bergstrom was awarded to two graduating seniors this year. The first was Jurnee Tucker from Brandon. Chairman Barrett shared that Jurnee graduated from Northwest Rankin High School. She plans to attend the University of Mississippi for a major in Media Marketing and a minor in journalism with plans to work as a sports marketer for a professional sports team. The second winner was Laura Box from Jackson. Laura was homeschooled with dual enrollment at Holmes Community College. Chairman Barrett shared that Laura plans to attend Mississippi State University to major in Industrial Engineering and Business Administration. Laura has a career goal of designing systems to convert waste into usable materials at an automotive manufacturing facility.

Then Chairman Barrett recognized the Oliver King Veteran Scholarship winner. Oliver King was a member of Magnolia, and he became a manager of the credit union and served on the Board. He was a U.S. Navy veteran. After he passed away, Magnolia wanted to recognize his commitment to the credit union by offering a \$2,000 scholarship to a veteran of the U.S. military services in his name. The application is on the website also. It is for a veteran who is going to a trade school, is in an apprenticeship program, or wants to go to a graduate or undergraduate university. The person who won it this year is Christopher Buck. Christopher is currently working on a master's degree in cybersecurity at New York University School of Engineering. He was a member of the US Army Reserve from 1999-2021. Chairman Barrett reminded everyone that if you are a senior or a military veteran with a desire for additional educational opportunities, the application and qualifications for both scholarships are located on our website.

Chairman Barrett shared the slideshow presentation that displayed during entry displayed photos of volunteers, management, and employees over the past year supporting community events. These events included Shower Power, Shred Day – sponsored by the Attorney General's office, The Salvation Army, Credit Union Easter Egg Hunt at LeFleur's Bluff, Buddy Walk, and more.

Chairman Barrett introduced CEO Michael Waylett.

## PRESIDENT'S REPORT

Magnolia's CEO, Michael Waylett, shared there were a lot of potential headaches in 2024 that impacted many peer financial institutions and credit unions, however Magnolia FCU plowed through them all with



the help of staff. Mr. Waylett introduced the management team and recognized the entire staff. He thanked staff for the relationships they've built with the members and informed them that their efforts don't go unnoticed.

Mr. Waylett discussed the 2024 financial highlights, starting with 2,876 new accounts opened, \$40,584,554 in new loans approved, \$616,259 in dividends paid to members, and a net worth ratio of 21.78%; Mr. Waylett discussed the financial performance, with comparisons from 2023 to 2024.

- Membership has increased to 21,850
- Asset size increased to \$158,742,749
- Total Loans increased to \$103,807,771 million
- Loan-to-Share ratio increased to 85.71%
- Delinquency ratio decreased to 0.62%
- Charge-off ratio increased to 1.92%
- Return on average assets decreased to 2.20%
- Net income was \$3,448,436

Mr. Waylett shared the extensive list of donations and partnerships Magnolia contributed to during 2023. Total donations for the year were \$111,257. He noted that Shower Power was a big partner for Magnolia this year.

Mr. Waylett also shared that in 2024 Magnolia offered loan specials, with below-market loan rates, and generous CD specials. Wait times were decreased across all channels including the call center, lending team, and retail staff. He informed that Magnolia has increased volunteerism and presence in the community and created a newly formed corporation focused on philanthropy in the Greater Jackson area. Mr. Waylett shared within the upcoming months; there will be a substantial chance to make an impact in the community through the Magnolia Federal Credit Union Community Development Corporation. He also shared that Magnolia FCU had recently merged with a small credit union in Morton, MS and invited everyone to visit that location.

Mr. Waylett shared that the credit union remains in great standing with its regulators. Many new loan and deposit specials are on the horizon, including March Magness. He also shared that Magnolia has a Green Lending Program, Insights (within Banno), Tap-to-pay with debit cards, enhanced card controls, and new ITMs/ATMs at the VA and Morton locations in progress.

Lastly, he thanked the members for their loyalty and membership to Magnolia and advised members to share their feedback with the Magnolia team.

## SUPERVISORY COMMITTEE REPORT

Chairman Barrett introduced Bob Metzger, Chairman of the Supervisory Committee.

Mr. Metzger shared that the Supervisory Committee is responsible for the financial oversight of the credit union. Mr. Metzger introduced himself and shared that he has been a member of the Supervisory Committee for 17 years and served as Chairman for 11 years. He then introduced the other Supervisory Committee members: David Allen and Angela Harris. The Supervisory Committee engages an outside auditor who conducts thorough quarterly and yearly audits of the credit union records. The Supervisory Committee recommends actions to the Board and the staff, and they both do a wonderful job of seeing that the concerns are addressed. The Supervisory Committee also works closely with the NCUA, CEO, and CFO to ensure that the credit union operates in a financially sound manner. Mr. Metzger stated that it's been his honor to serve Magnolia FCU for such a long period of time and Magnolia is doing a great job financially. Mr. Metzger stated that the Supervisory Committee has great engagement with the management staff and member concerns that are passed on to them. Mr. Metzger stated that this has been one of Magnolia's best financial years in recent history.

#### NOMINATING COMMITTEE REPORT

Charles Mullins shared that three Board members' terms are expiring this year. The Nominating Committee Chairman presented Barry McNair, Robert Stringer, and Betty Barrett for election to the Board for another three-year term. The bios of the nominated individuals were reviewed from the printed agendas.

Vice Chairman Keith Buchanan announced that since there were no other nominations, the three candidates were accepted by general consent.

#### UNFINISHED BUSINESS

There was no unfinished business discussed.

#### NEW BUSINESS

There was no new business to be discussed at this meeting.

#### RESULTS OF THE ELECTION

The election results are known at this time and stated in the report of the Nominating Committee. Chairman Barrett congratulated Barry McNair and Robert Stringer on their re-election to the Board and expressed her pleasure of serving amongst them.

Chairman Barrett thanked the Board, Supervisory Committee, Credit Union leadership, management and all staff for the time and effort put forward in making Magnolia FCU the best credit union for its members. She also thanked all Magnolia members for allowing Magnolia to handle their financial activities and entrusting Magnolia to do so in a manner that provides the best and most beneficial experience to meet their financial needs.

There being no further business, the meeting was adjourned. Awarding of door prizes followed the meeting.