

## Employees



**Gary Bruemmer**  
Accountant



**Jay Ernst**  
Sr. Loan Officer



**Doug Goldammer**  
Loan Clerk



**Kim Johnson**  
Member Serv. Rep.



**Ashley Luebbert**  
Loan Clerk



**Deven McDonald**  
Office Manager



**Susie Schnack**  
Asst. Loan Officer



**Michelle Singer**  
Member Serv. Rep.



**Ray Smith**  
Information Officer



**Whitni Sommerer**  
Member Serv. Rep.



**Lisa Wieberg**  
Loan Officer



**Nevan Woehr**  
Staff Assistant



**Amy Wright**  
Loan Officer



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## President's Report

**M**ECE Credit Union completed a successful 2014, where MECE Credit Union added 347 new members, increased \$7.6 million in assets, returned over \$1.7 million in dividends to the owners, provided \$6.3 million in new loans to members and produced net income of \$1.36 million. Asset quality, due to our superior membership base, and operational efficiency continue to set us apart nationally as the "Bright Choice" for financial products and services.

February of 2015 marked MECE Credit Union's 40th anniversary. Our Credit Union was chartered in 1975 as a benefit to the employees and immediate family members of the rural electric cooperatives. I have been privileged to be a part of this organization for over half of its history and I have been so pleased with the success we have experienced serving our membership. In 1975 at six years of age, I was probably pulling my sister's hair and learning to read as electric cooperative leaders were meeting to lay the foundation for a financial cooperative that truly exists to provide value by paying higher dividends, reduced loan rates and charging less fees. For these 40 years, MECE Credit Union has stayed true to our original philosophy and the Board and management are committed to continuing this philosophy which has set us apart from other financial institutions, provided for national recognition and proven successful. Reaching the 40 year milestone is exciting, and in terms of a financial institution we are still relatively young with immense growth potential. We look forward to remaining the "Bright Choice" for your financial needs for the next 40 years!



**Randy Marks**  
Pres./Manager

*Randy Marks, President/Manager*

# Celebrating 40 Years



# MECE

CREDIT UNION

THE BRIGHT CHOICE SINCE 1975

# 2014 Annual Report

## MECE Credit Union Annual Meeting

April 16, 2015 — 11:30 a.m.

AMEC Conference Room  
2722 East McCarty, Jefferson City, MO 65101



## Chairman's Report

During the past 11 years that I have had the privilege to serve as a volunteer of MECE Credit Union, I have been impressed by the overwhelming support of the electric cooperatives and their employees. Over 90% of the cooperative employees have accounts with the Credit Union which illustrates that MECE Credit Union has remained a valuable benefit to the employees and their family members. Having a financial cooperative with this unique bond continues to provide the framework for the continued success we saw in 2014.

As MECE Credit Union enters its 40th year of service to its owners, I am pleased to report our strong financial position of \$147 million in assets and \$14 million in equity. The Credit Union has built its loan portfolio to over \$83.8 million with only a .02% delinquency ratio (tops in the nation), produced over \$1.3 million in net earnings while still returning over 32% of our gross income to our owners in the form of dividends (peer average is 9%) and operating expenses are only 41% of total income (peer average is 76%) which continues to show the operational efficiency of the Credit Union. These performance ratios are testimony to the safety and soundness of your Credit Union.

I would like to thank all of the volunteers and especially the dedicated Credit Union Representatives that serve at each of the cooperatives for helping the professional team of Credit Union employees provide personalized financial services to the membership with successful results which will help us continue to be the "Bright Choice" for many years to come.

*Kent Brown, Chairman*

## Board of Directors & Supervisory Committee

Kent Brown, Chair..... N.W. Power  
 Paula Peeper, Vice Chair .....Callaway  
 Randy Carrender, Sec.-Treas...Central Elec Power  
 Bobbie Berger.....Three Rivers  
 Joan Donze .....Citizens  
 Lindy LaChance .....Black River  
 Mike King.....Associated  
 Rhonda Robison .....Ralls  
 Rod Romine..... White River  
 Kay Smith.....Macon  
 Doug Kroese.....Laclede  
 Cathy McKay.....Grundy

## Statement of Earnings from January 1, 2014 to December 31, 2014

# 2014

Income:	Loan Income .....	\$3,423,801.09
	Investment Income.....	1,100,120.82
	Other Income .....	714,176.35
	Total Income .....	\$5,238,098.26
	Net Income .....	\$1,363,703.00

### Expenses:

<i>Operating Expense</i>	
Salary & Benefits .....	\$1,188,031.71
Loan Servicing.....	177,513.55
Professional Services .....	81,651.95
Data Processor .....	88,556.26
Provision for Loan Loss .....	(18,218.62)
Office Operations .....	152,301.20
Office Occupancy .....	53,554.75
Debit Card.....	266,764.53
Education and Promotions .....	18,368.98
Association Dues.....	26,110.11
Conference & Travel .....	21,583.49
Miscellaneous.....	99,622.02

Total Operating Expense.....\$2,155,839.93

### *Cost of Funds Expense*

Dividends, Certificates.....	\$859,402.63
Dividends, Checking.....	18,152.19
Dividends, Reg. Shares .....	494,891.78
Dividends, Club Accounts.....	21,446.96
Dividends, Health Savings Accounts.....	319,094.14
Interest on Borrowed Money .....	5,567.63
Total Cost of Funds.....	\$1,718,555.33
Total Expense.....	\$3,874,395.26

## Statement of Condition as of December 31, 2014

### Assets

Loans .....	\$83,749,339.50
Cash.....	231,770.71
Corporate Permanent Capital.....	742,200.00
Investments .....	59,792,410.96
NCUA .....	1,273,427.50
Fixed Assets .....	793,580.36
Other Assets .....	848,410.44
Total Assets.....	\$147,431,139.47

### Liabilities

Notes Payable.....	\$616,905.55
Dividends Payable.....	60,670.39
Other .....	375,462.46
Total Liabilities.....	\$1,053,038.40

### Shares & Deposits

Regular Shares .....	\$61,664,055.71
Club Accounts.....	1,082,445.99
Share Drafts .....	7,699,252.44
Health Savings Accounts .....	10,826,395.51
Share Certificates.....	19,133,264.78
IRA Certificates.....	31,976,822.58
Total Shares .....	\$132,382,237.01

### Reserves & Undivided Earnings

Statutory Reserves .....	\$3,060,882.08
Undivided Earnings .....	10,946,199.99
Unrealized Investment Loss.....	(11,218.01)
Total Liab., Shares & Equity..	\$147,431,139.47

## Supervisory Committee Report



The Supervisory Committee serves the Board of Directors of the Credit Union in an audit capacity. The Supervisory Committee performed a controlled mailing of all Credit Union members' statements for the quarter ending September 30, 2014. All statements mailed (E-mail & U.S. Postal Service) contained an insert requesting the member to report any discrepancies directly to the Supervisory Committee. No unresolved discrepancies were reported to the Supervisory Committee.

Stephen Lang & Associates, LLC – Certified Public Accountants performed an audit as of December 31, 2013. An unqualified opinion was received on the audited financial statements and "no major areas of concern" were expressed by Stephen Lang & Associates, LLC – Certified Public Accountants. The audit report was reviewed and approved by the Missouri Electric Cooperatives Employees' Credit Union Board of Directors.

An examination of Missouri Electric Cooperatives Employees' Credit Union was conducted by the State of Missouri Division of Credit Unions as of June 30, 2014 to verify compliance with all state requirements. The report was presented by the state examiner to the Board of Directors in December 2014.

The Supervisory Committee was given a Bank Secrecy Act Review of Procedures and a review of Automated Clearing House Compliance which was performed for the year 2014 and reported to the Board of Directors in January 2015.

Board members, the MECECU president and senior staff attended MECECU's annual planning session which was held August 13-15, 2014 in Branson, MO. Goals and strategic objectives for the coming year were established.

The Supervisory Committee wishes to thank the Credit Union staff for their cooperation and help during the past year.

*Kay Smith, Chairperson; Doug Kroese; Randy Carrender*