

MESSAGE FROM THE TREASURER



Linda Harris,
Treasurer

I am pleased to report that Members First Credit Union continues to maintain its strong financial performance. The Board of Directors and the Management team have worked closely together to ensure that we remain a well-capitalized credit union with a net capital ratio of 13.75% as of December 31, 2017. This ratio, established by NCUA, sets the regulatory standard for the minimum, allowable capital level for "well-capitalized credit unions" at 7.00%. We well exceeded that number as a result of prudent practices. Remaining safe and secure is a significant achievement, and our members can take comfort in this strong performance.

2017 was a year of steady growth as our asset base grew by 3.96%. To ensure profitable results, your credit union focused on reducing expenses and improving risk management processes and operational efficiencies. We are providing a secure and rewarding environment for all members. With our current membership at 16,929, we continue to strive to meet all our members' financial needs through excellent member service and innovative products and services.

Members First Credit Union holds the best interest of our members in high regard and remains competitive, while continuing a long history of giving back to our members and the communities that we serve. Recognizing the diverse needs of our members, our plans for the future include offering a wide variety of additional new and innovative products and services. We are confident that MFCU will continue to prosper in the coming years.



MEMBERS FIRST CREDIT UNION OF FLORIDA

Distribution of Income
for the years ended December 31, 2017, and 2016

INCOME

	2017	2016
Interest on Loans	\$4,632,991	\$4,691,502
Income from Investments	1,052,408	793,790
Other Income	3,341,375	3,174,265
TOTAL INCOME	\$9,026,774	\$8,659,557

EXPENSES

		Percent of Income		Percent of Income
Employee Compensation and Benefits	\$4,126,590	45.715%	\$3,943,794	45.543%
Travel and Conference	95,966	1.063%	91,860	1.061%
Office Occupancy	453,273	5.021%	506,582	5.850%
Office Operations	1,680,304	18.615%	1,646,346	19.012%
Educational and Promotional	188,133	2.084%	229,046	2.645%
Loan Servicing	523,054	5.794%	557,533	6.438%
Professional and Outside Services	157,447	1.744%	189,153	2.184%
Provision for Loan Losses	621,210	6.882%	421,649	4.869%
Operating Fees	47,275	0.524%	45,707	0.528%
Miscellaneous Operating Expense	137,095	1.519%	188,800	2.180%

TOTAL EXPENSES \$8,030,347 88.961% \$7,820,470 90.310%

INCOME BEFORE COST OF FUNDS \$996,427 \$839,087

COST OF FUNDS

Interest on Borrowed Money	\$122	0.001%	\$0	0.000%
Dividends on Shares	138,990	1.540%	131,391	1.517%
Interest on Certificates	263,866	2.923%	261,031	3.014%

TRANSFER TO UNDIVIDED EARNINGS AND RESERVES \$593,449 6.574% \$446,665 5.158%

100.000% 100.000%

STAFF

Charisse Bailey
Debby Bohman
Brenda Bokanyi
Whitney Burdick
Bailey Calhoun
Diane Carney
Adam Carpenter
Juleah Chandler-Trim
Debbie Cosson
Jasmine Crenshaw
Jeff Crutchfield
Adrienne Daigle
Mitchell Davis
Donlee Dunn
Conor Dunne
Rhonda Gray
Carrie Gavin
Todd Goodloe
Cynthia Grace
Caryl Greene
Pam Haynes
Kevin Jeremiah
Brandi Johnson

Luann Joyner
Tammy Keith
Vanessa Knight
Marisa Ladner
Sara Legg
Leslie Lowery
Michelle Lopez-Santos
Emily Lopiccio
Adriana Marrero-Maldonado
Karen McManus
Tammy Miller
Ashley Murcko
Jennifer Myrick
Natalie Neal
Ricky Nelson
Rhonda Nelson
Alyssa Nieberlein
Tom Painter
Marcus Pitman
Vicki Raines
Debbi Rice
Jessica Roberts
Renee Rogers

Adetoun Sanders
Stacy Seaman
Lisa Sewell
Bobbie Simmons
James Simmons
Troy Simonton
Kenneth Smith
Linda Smith
Courtney Staples
Pamela Stier
Leslie Tibbitt
Lisa Tipton
Jonathan Treesh
Martha Tubb
Melanie Vaughan
Candace Wade
Mary Wade
Donna Whitehurst
Michele Williams
Edel Wintersteen
Doug Zepp

MANAGEMENT

Caryl A. Greene, President/CEO
Michele Williams, Executive Vice President/COO
Tom Painter, Chief Lending Officer
Debbie Cosson, Chief Financial Officer
Jeff Crutchfield, VP of Information Technology
Adetoun Sanders, VP of Marketing & Business Development
Martha Tubb, VP of Human Resources
Doug Zepp, CCUE, VP of Member Services

BOARD OF DIRECTORS

Charlotte Schipman, Chairperson, 2020 Term
Bill Farinas, Vice Chairperson, 2020 Term
Theresa McCants, Secretary, 2019 Term
Linda Harris, Treasurer, 2018 Term
Charles Thomas, Member, 2018 Term
Dr. Clarence Ladner, Member, 2019 Term
Kathy Terrell, Member, 2019 Term

AUDIT COMMITTEE

Melissa Weekley, Chairperson
Jack Marmash, Secretary
Mary Stanley, Member

CONTACT US

Member Information: (850) 434-2211 • 1-877-434-MFCU | 24-HOUR
Phone Banking: (850) 433-8350 • 1-877-433-8350

P. O. Box 12983 • Pensacola, FL 32591-2983 • Fax: (850) 434-9995
www.MembersFirstFL.org • mfcufl@mfcufl.org

MEETING AGENDA

Call to Order
Invocation
Pledge of Allegiance
Determine Quorum
Minutes | 63rd Annual Meeting
Volunteers & Special Guests Intro
President's Address
Report of the Treasurer
Report of the Audit Committee
Report of the Nominating Committee
Old Business/New Business
Adjournment



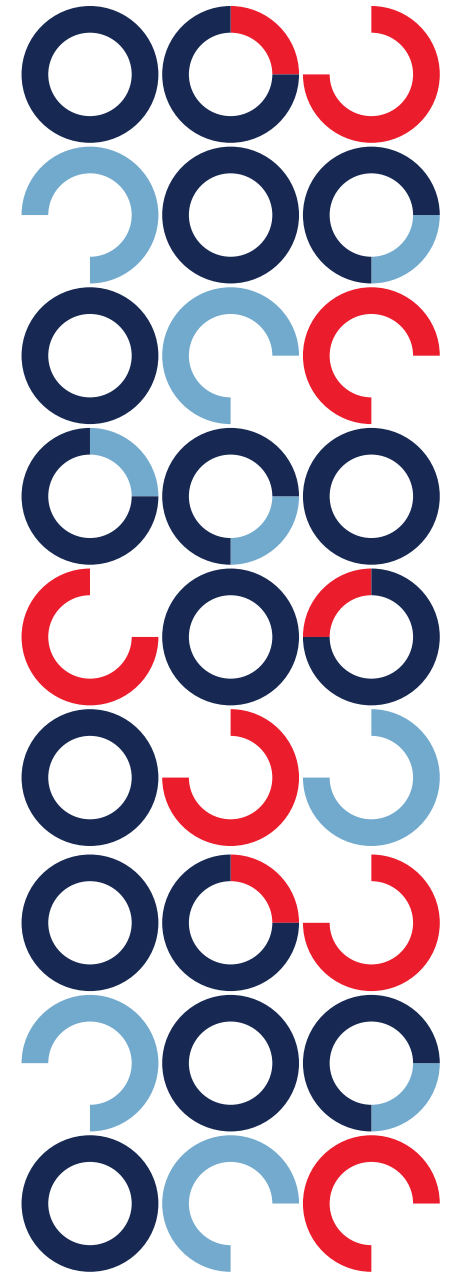
MEMBERS FIRST
CREDIT UNION OF FLORIDA

2017

ANNUAL REPORT

OUR MISSION

Our mission is to always put members before profits while providing world-class service that they love and expect, in the easiest, savviest, most convenient way possible.



MINUTES OF THE 63RD ANNUAL MEETING

Board Chairperson Charlotte Schipman called the 63rd Annual Meeting of Members First Credit Union of Florida to order at 5:30 p.m. The meeting was held March 9, 2017, in the Downtown Branch lobby at 251 W. Garden Street. Other Board Members present were Farinas, Ladner, and McCants. Audit Committee Members Marmash, Stanley, and Weekley and Attorney Palmer Williams (via teleconference) were also present.

Tom Painter gave the invocation, and Chairperson Schipman led the Pledge of Allegiance.

Chairperson Schipman introduced Palmer Williams from the office of Williams, Gautier and appointed him as Parliamentarian. Schipman then introduced Theresa McCants, Secretary to the Board of Directors, and asked if there was a quorum. McCants declared that a quorum was present.

On motion by Farinas, seconded by Ladner, the minutes of the 62nd Annual Meeting were approved as printed in the program.

Chairperson Schipman announced the names of the 2016 Board of Directors and Audit Committee for Members First Credit Union of Florida and thanked those present at the meeting for their service. They are:

Board of Directors:
Charlotte Schipman, Chairperson
Bill Farinas, Vice Chairperson
Theresa McCants, Secretary
Linda Harris, Treasurer
Dr. Clarence Ladner
Kathy Terrell
Charles Thomas

Audit Committee:
Melissa Weekley, Chairperson
Jack Marmash, Secretary
Mary Stanley

Chairperson Schipman introduced President/Chief Executive Officer Caryl Greene who welcomed the volunteers and staff and thanked them for serving our membership. Greene then presented the Report of the President and the Board as printed in the 2016 Annual Report.

Acting Treasurer Bill Farinas gave the Treasurer's Report as printed in the Annual Report stating that the Credit Union continues to remain financially strong.

Audit Committee Chairperson Melissa Weekley gave the Report of the Audit Committee as printed in the Annual Report. She stated that Members First Credit Union is a sound institution operating within all the necessary credit union rules and regulations and is looking forward to continued growth in the future.

Nominating Committee Chairman Dr. Clarence Ladner gave the Nominating Committee Report. The Nominating Committee was represented by Dr. Clarence Ladner, Chairman, Linda Harris, and Theresa McCants. There were two 3-year terms up for election. The following incumbents were nominated for the Board of Directors: Bill Farinas and Charlotte Schipman. They met with no opposition.

Chairperson Schipman declared that Farinas and Schipman were duly elected to serve as Board Directors for 3-year terms and asked that the minutes reflect this.

Chairperson Schipman had no response to her request of any Old Business to discuss.

With there being no additional New Business, Chairperson Schipman adjourned the meeting at 5:38 p.m.

MEMBERS FIRST CREDIT UNION OF FLORIDA

Statement of Financial Condition

as of December 31, 2017, and 2016

ASSETS	2017	2016	incr/(decr)
Loans to Members	\$87,229,975	\$86,234,271	\$995,704
Cash	2,947,017	2,491,725	455,292
Investments	80,631,279	75,965,892	4,665,387
Accrued Interest Receivable	271,702	256,273	15,429
Furniture and Equipment (net)	573,054	884,262	(311,208)
Land and Buildings	6,827,783	6,423,909	403,874
Other Assets	7,714,763	6,844,483	870,280
TOTAL ASSETS	\$186,195,573	\$179,100,815	\$7,094,758
LIABILITIES			
Dividends and Interest Payable	\$0	\$0	\$0
Other Liabilities	506,819	624,407	(117,588)
TOTAL LIABILITIES	\$506,819	\$624,407	(\$117,588)
MEMBERS' EQUITY			
Member Shares	\$129,090,270	\$120,901,059	\$8,189,211
Member Certificates	32,169,747	34,013,153	(1,843,406)
Regular and Other Reserves	2,665,636	2,392,544	273,092
Undivided Earnings	21,763,101	21,169,652	593,449
TOTAL EQUITY	\$185,688,754	\$178,476,408	\$7,212,346
TOTAL LIABILITIES AND MEMBERS' EQUITY	\$186,195,573	\$179,100,815	\$7,094,758

MESSAGE FROM THE PRESIDENT AND THE BOARD



Caryl A. Greene,
President/CEO

2017 was another successful year for Members First Credit Union. Strong financial performance and continued focus on growth made a difference in the lives of our members by providing superior products and services. Our primary goal is to help you choose the most beneficial products for your specific financial needs, while making your personal financial business as easy and as convenient as possible.

Assets remained strong; loan growth was solid; and deposits grew by 4.10% in 2017. A strong capital position has been maintained with a net capital ratio of 13.75%. The growth we experienced pushed our asset total over \$186 million. These numbers indicate the level of trust and amount of loyalty our members have in us, and we greatly appreciate it. We are a co-operative that always puts our members before profits.

This year, new features were added to Internet Banking, which included Mobile Remote Deposit Capture – allowing members to deposit checks using their mobile devices, anywhere, anytime. Digital Wallet Services became more robust with the addition of the SecureLOCK Equip app. This app lets you have more control of your credit card online. You can turn your card on and off before you leave home, and you can review your account details and transactions.

Informative and educational seminars were offered to members, both in person and online. Topics included Credit Scoring and Investments; Wills & Estate Planning; and Electronic Services. Look for more educational seminars in 2018. We engaged in the community and shared our philosophy of "People Helping People" by partnering with Everman in their Meal-in-a-Bag program. With two co-operatives working together and your generosity, 372 local families received a wholesome Thanksgiving meal. It is truly amazing to see what the co-operative spirit of community, partnership, and family can do.

A helping hand was given to many hurricane victims through CUAID, the National Credit Union Foundation Disaster Relief Fund. 100% of the donations went to credit union disaster relief, helping credit union employees and volunteers affected by both Hurricane Irma and Hurricane Harvey.

Members First Credit Union continues to prosper because of its loyal members who use its products and services to take care of their daily financial needs. We hope that our commitment to you and your family's financial wellbeing – now and in the future – comes through loud and clear. Your membership is invaluable. We are always looking for new members to join our credit union family, so that we can offer them the same great products and services that you've come to love. We look forward to serving you in 2018 and welcome any suggestions you may have to improve your credit union experience with Members First.

MESSAGE FROM THE AUDIT COMMITTEE



Melissa Weekley, Audit
Committee Chairperson

The Audit Committee is comprised of three volunteers who are appointed by the Board of Directors to represent the members of Members First Credit Union of Florida.

The Audit Committee is responsible for reviewing the internal operations of the Credit Union on an annual basis. Its primary responsibility is to safeguard member assets by overseeing the financial and internal control systems and policies related to credit union operations.

The Committee also contracts an independent CPA firm to perform quarterly and annual audits who carry out several specific duties including:

- Verifying members' accounts
- Reviewing internal accounting systems and controls
- Ensuring that all policies and procedural guidelines are followed

This year, an external audit was conducted by the Certified Public Accounting firm, Warren Averett CPAs and Advisors. The results of the examination of Members First's financial statements and practices, along with audits conducted internally by the Accounting Department, confirmed that Members First Credit Union of Florida is fiscally sound, and its operations are managed responsibly.

As Chairperson of the Audit Committee and on behalf of this committee, we feel confident that Members First Credit Union is a sound institution operating within all the necessary Credit Union rules and regulations. We look forward to continued growth and success in 2018 and beyond.



MEMBERS FIRST CREDIT UNION OF FLORIDA Statement of Income and Expense for the years ended December 31, 2017, and 2016

	2017	2016
INCOME		
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TOTAL EXPENSES	\$8,030,347	\$7,820,470
INCOME BEFORE COST OF FUNDS	\$996,427	\$839,087
COST OF FUNDS		
Interest on Borrowed Money	\$122	\$0
Dividends on Shares	138,990	131,391
Interest on Certificates	263,866	261,031
NET OPERATING INCOME	\$593,449	\$446,665
PERCENTAGE OF EXPENSES TO GROSS INCOME	88.961%	90.310%

