

BOARD OF DIRECTORS' REPORT

Good evening and welcome to the 97th annual meeting of Post Office Employees' Credit Union! It has been my honor and privilege to serve as your Chairman this past year.

It seems like every year we say, "Wow—what a year it was!" Again in 2021, we overcame many of the same challenges experienced in 2020 (coronavirus, staff shortages, unexpected branch closures, and weather events or hurricanes—this year Ida). Despite the challenges, we continued to serve our members even on those rare occasions when we couldn't open our branches.

I am proud to say we were successful in achieving the goals the Board and Management team established at our annual planning session. These goals included improving net income, which was achieved with a profit of \$362,372, growing our loan portfolio by 10%, reducing our loan delinquencies and net charged off loans, and finally improving our regulatory rating.

We also recouped the remainder of our Southwest Corporate Membership Capitalization Deposit of \$252,536 written off in 2008/2009 for a total recovery of \$438,888.

We launched several products and services in 2021—text messaging, online account opening, digital forms, revamped our website, overhauled our marketing program, and implemented Drive 4 Less, our lease-like auto loan product.

While it was a difficult decision, we decided to permanently close the Paris location in early December and relocated the staff. This helped to ensure sufficient resources were at our busiest locations. This also helped to reduce expenses. We still need to clean out this location and plan to sell it in the near future.

So far this year, we converted our Visa program to a new processor and upgraded our computer system firewalls for added security.

Our Board of Directors, Management Team, and Staff work diligently to ensure we provide you—our members—with the best products and service. Without you, we would not be here! Thank you for your continued support and membership!

SIDNEY A. PARFAIT, CPA
Board Chairman

BOARD OF DIRECTORS

Sidney Parfait, Chairman
Mike Shillington, Vice Chairman
Kristy Adams, Treasurer
Sharyn Taquino, Secretary
Charles Holdeman
Terry Kennard
Joseph LoPinto
Dennis Brouphy, Associate Director

SUPERVISORY COMMITTEE

Charlie Candilora, Chairman
Tony Ruda

MANAGEMENT

Michelle Duhe, CEO
Kellie Mele, VP of Operations
Weixuan Sun, VP of Accounting

SUPERVISORY COMMITTEE REPORT

The Supervisory Committee is appointed by the Board of Directors and ensures that a comprehensive audit program for the credit union is established and implemented in accordance with all credit union rules and regulations. The committee is also responsible for ensuring that management adheres to policies established by the Board of Directors and maintains a strong internal control system.

During 2021, the Louisiana Office of Financial Institutions (LOFI) conducted our annual regulatory examination of our credit union. We improved our rating due to overall operational improvements—lower delinquencies and net charged off loans, improved loan growth, reduced expenses, and higher earnings. Also in 2021, the Supervisory Committee ensured an Agreed Upon Procedures audit was performed by Griffin and Furman, CPAs; an ACH audit was performed by Robert Brown, CPA; and a Bank Secrecy Act/Office of Foreign Asset Control Audit was performed by Leslie Landry. We wish to acknowledge the management team and staff for their assistance in assuring that all the audits went smoothly and addressing any findings in a timely manner.

The committee members also attended board meetings and performed internal control reviews throughout the year.

Thank you for giving us an opportunity to serve you.

Charlie Candilora | Chairman, Supervisory Committee
Tony Ruda | Supervisory Committee, Member



98TH ANNUAL MEETING 5/11/2022

2021 ANNUAL REPORT

2022 Meeting Agenda

- Call to Order/Prayer/Pledge of Allegiance
- Determination of a Quorum
- Reading and Approval (or correction) of the Minutes of the last Annual Meeting
- Report of the Chairperson on behalf of the Board of Directors
- Report of the Financial Officer
- Report of the Supervisory Committee
- Unfinished Business
- New Business
- Nominations/Elections
- Open Discussion/Prizes
- Adjournment

**LIVE
YOUR DREAMS**

2021 INCOME STATEMENT**INCOME**

Loan Income	\$1,324,048
Investment Income	\$166,699
Fees & Charges	\$478,146
Other Operating Income	\$112,264
Non-Operating Income	\$300,390
TOTAL GROSS INCOME	\$2,381,547

EXPENSES

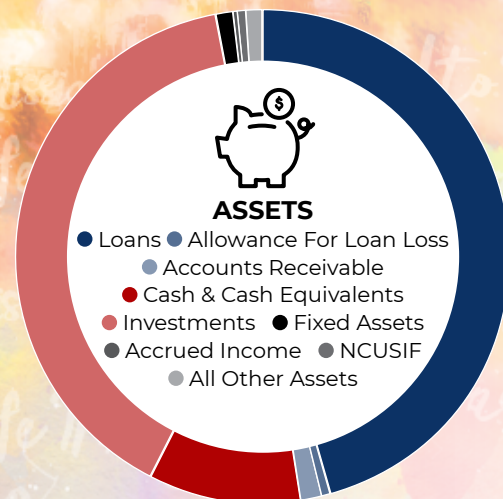
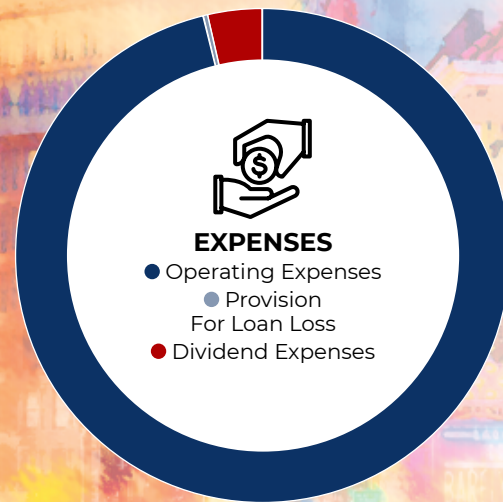
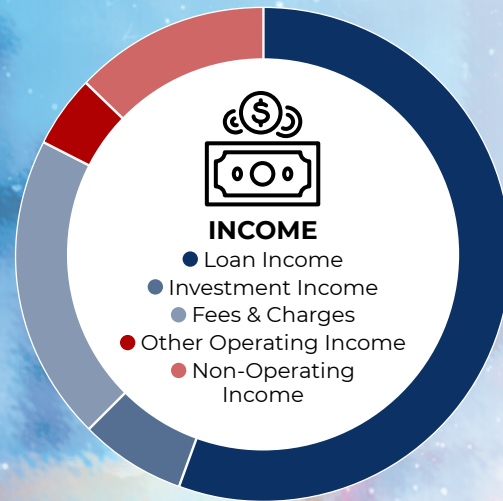
Operating Expenses	\$1,946,983
Provision for Loan Loss	\$500
Dividend Expenses	\$71,692
Non-Operating Expenses	\$0
TOTAL EXPENSES	\$2,019,175
NET INCOME	\$362,372

2021 BALANCE SHEET**ASSETS**

Loans	\$25,083,814
Allowance for Loan Loss	-\$205,695
Accounts Receivable	\$827,869
Cash & Cash Equivalents	\$5,453,244
Investments	\$21,494,279
Fixed Assets	\$656,745
Accrued Income	\$140,870
NCUSIF	\$398,096
All Other Assets	\$470,763
TOTAL ASSETS	\$54,319,985

LIABILITIES & EQUITY

Payables	\$379,945
Other Liabilities	\$100,585
Shares	\$48,617,478
TOTAL LIABILITIES	\$49,098,008
Regular Reserves	\$2,391,808
Unrealized G/L on Investments	-\$117,972
Undivided Earnings	\$2,948,141
TOTAL EQUITY	\$5,221,977
TOTAL LIABILITIES & EQUITY	\$54,319,985

**97TH ANNUAL MEETING MINUTES****WEDNESDAY, MAY 12, 2021****I - Meeting Called to Order**

C. Holdeman called the meeting to order at 6:07 p.m.

II - Determination of Quorum

A quorum was determined. 70 members were in attendance.

III - Pledge of Alligance - Joe Lopinto**IV - Opening Prayer**

Carla Hicks - moment of silence for all members lost in 2020.

V - Reading of 2020 minutes

Kristy Adams asked for a motion to approve the minutes from the 2020 Annual Meeting. John 3:16 Smith made the motion, and J. Candilora seconded. The minutes were approved and accepted by all.

VI - Chairman of the Board Report - presented by C. Holdeman**VII - Report of the Financial Officer - presented by Treasurer S. Parfait****VIII - Report of Supervisory Committee - presented by C. Candilora****IX - Unfinished Business - There was no unfinished business from the previous year.**

X - New Business - There was no new business presented.

XI - Election of Board Members - Nominating Committee was comprised of the Supervisory Committee: Charles Candilora, Tony Ruda, Joe Lopinto
2 positions, 2 nominees

Nominees are: Kristy Adams, Joe Lopinto; the nominees win by acclamation

XII - Open Discussion/Questions

XIII - Prizes - The following prizes were distributed by a random draw:

John 3:16 Smith	Charles Holdeman
Rita Lopinto	Danielle Celestine
Chuck Allen	Kyle Laurendale
Joe Candilora	Peggy Lindquist
Tony Ruda	Cabrini Hales
Clifford Adams	Renette Dominick

XIV - Closing Prayer

Deanne Jones said a prayer for all those suffering from a loss due to COVID-19.

XV - Adjournment - A motion was made by T. Kennard and seconded by S. Taquino to adjourn the meeting at 6:55 p.m. It was approved and accepted.

BOARD OF DIRECTORS NOMINATIONS**TERRY KENNARD (INCUMBENT)**

Terry Kennard has served on the POECU Board of Directors since 1998 and wishes to continue to serve in this capacity. Terry and his wife are residents of Harvey, Louisiana. They have been married for fifty-two years and have been blessed with four children and sixteen grandchildren.

Terry is retired from the United States Post Office, Harvey location, with thirty-seven years of service. Terry is also retired from the National Guard with thirty-seven years of service where he served as chief of the refuel shop. Terry is a Marine Corp veteran, having served for four years as a radio chief. Thirteen months of his tenure in the Marines was in active combat in Vietnam.

DENNIS BROUPHY (ASSOCIATE DIRECTOR)

Dennis Brouphy holds a B.S. in Management and a M.S. in Accounting from the University of New Orleans. He is also a Louisiana-licensed Certified Public Accountant (CPA). Dennis has served as an Associate Director on POECU's board for one year. He also served as Chairman of the Supervisory Committee at U. S. Customs Federal Credit Union.

Dennis began his career with U. S. Customs in 1989 and is an auditor and computer audit specialist (U.S. Customs is now known as the Department of Homeland Security, Customs, and Border Protection.) As a Regulatory Auditor, he audited local, national, and international importers for compliance with importation laws. Dennis now has thirty-three years of service with this agency and continues to work in this capacity.