

Mountain Credit Union
 Income Statement
 For the Period Ended December 31, 2022

Income:

	MTD:	YTD:
Loan Income	942,490.46	9,947,785.69
Investment Income	203,926.92	1,598,059.38
Fee Income	378,056.31	4,215,840.01
Other Income	27,418.53	360,279.54
Total Income	\$ 1,551,892.22	\$ 16,121,964.62

Expenses:

Compensation	427,280.35	4,216,943.59
Employee Benefits	117,387.48	1,025,003.84
Travel and Conference	10,545.06	132,580.61
Association Dues	3,736.01	41,228.00
Office Occupancy	39,424.14	472,716.64
Office Operations	78,024.44	1,004,984.59
Marketing Expense	67,102.33	564,724.95
Loan Servicing	47,512.82	555,535.37
Professional & Outside Services	241,643.81	3,153,439.31
Provision for Loan Losses	129,820.83	572,095.49
Supervisory and Exam Expense	5,654.09	67,669.64
Cash Over and Short	379.55	1,747.24
Other Operating Expenses	19,036.00	93,944.00
(Gain)/Loss On Disposal of Assets	(18,725.18)	(1,359,661.79)
Total Expenses	\$ 1,168,821.73	\$ 10,542,951.48
Dividend Expense	78,589.81	588,084.03
Net Income	\$ 304,480.68	\$ 4,990,929.11



2022 ANNUAL REPORT



1700 Russ Avenue • Waynesville, NC 28786
www.MountainCU.org



Report of Officials

2022 was an excellent year for Mountain Credit Union, and the 2022 Financial Reports prove this.

Thankfully, Covid-19 illnesses slowed down within our communities and our staff. We did have a few outbreaks among staff but luckily, no severe illness. Our team continued serving and meeting members' needs daily. Mountain Credit Union has always given back to the local communities and we continued to do so in 2022. Each branch chooses local charities within their communities, and the Board and Management could not be prouder of the staff's efforts.

After the flood damage from 2021 that occurred at the Enka/Candler branch, we turned the situation favorable by remodeling the branch and consolidating the Asheville Branch into the Enka/Candler branch. Quite frankly, the location of the Asheville Branch was becoming more dangerous every day for members and staff. It was a tough decision to close and sell the Asheville branch property as it had been our original branch. Still, the Board of Directors and Management felt that it was the right decision to make for the security and safety of everyone. We also added a much-needed Contact Center in the Enka/Candler branch to answer all member calls more efficiently and effectively.

Mountain Credit Union added internal processes and new business partners in 2022. We do this regularly to continuously improve our delivery of products and security for all member-sensitive data, which remains a priority of the Board of Directors and Management. Additional products and services were added to better serve our members. An example of this was cash rewards for credit card usage. We implemented this feature in April 2022, and in the eight months following, our members received over \$51,000.00 in cash-back rewards.

Mountain Credit Union's most important asset is our staff, and we continue to provide them with ongoing training and career paths to better serve our members. They continued improving members' financial lives as this is our mission and reason for being. According to our calculations, our staff saved members over \$564,000.00 in interest charges on their loans in 2022. These savings translate to healthier budgets and better overall financial well-being for our members.

Mountain Credit Union is positioned well financially, and we have the most outstanding staff ready to weather these uncertain economic times. We value the membership's trust and loyalty and will continue to serve our local communities to the best of our abilities.

Supervisory Committee Report

The Supervisory Committee is the members' representative body whose responsibility is to ensure the safeguarding of both the credit union assets and the members' interests. In 2022, the Committee contracted with PBMares of Norfolk, VA, to conduct an external opinion audit of the credit union's records and financial affairs. We are pleased to announce that we received an unqualified opinion from PBMares for the year ended December 31, 2021, and expect to receive the same for 2022.

James Robertson – Supervisory Committee Chairperson

Mountain Credit Union Balance Sheet As of December 31, 2022

Assets:

Loans:		
Vehicle	112,165,485.48	
First Mortgage	59,152,789.66	
Unsecured	11,864,483.03	
Other Real Estate	8,220,099.78	
Other Secured	8,820,154.24	
Credit Cards	4,904,369.95	
Total System Loans		\$ 205,127,382.14
Loan Participations	3,021,762.20	
Collateral in Process of Liquidation	58,623.00	
Allowance for Loan Losses (net)	(721,908.45)	
Net Loans		\$ 207,485,858.89
Accounts Receivable		\$ 2,566,107.00
Cash		\$ 6,836,024.91
Cash on Deposit	61,280,270.64	
Brokered Certificates	30,077,000.00	
Other Investments	8,627,943.48	
Total Investments		\$ 99,985,214.12
Accrued Income		\$ 579,993.24
NCUSIF Deposit		\$ 2,832,721.85
Prepaid & Deferred Expenses		\$ 951,358.75
Fixed Assets		
Land & Building (net)	10,241,634.18	
FF&E and Leasehold Improvements (net)	1,439,871.60	
Net Fixed Assets		\$ 11,681,505.78
Other Assets		\$ 103,192.70
Total Assets:		\$ 333,021,977.24

Liabilities & Equity:

Accounts Payable		\$ 319,486.93
Notes Payable		\$ -
Dividends Payable		\$ -
All Other Liabilities		\$ 1,245,586.69
Member Shares		
Regular Shares	148,690,530.88	
Share Drafts	63,569,676.18	
Money Market Share Accounts	55,788,456.76	
IRA Share Accounts	20,583,689.93	
Certificates	11,130,720.63	
Total Shares		\$ 299,763,074.38
Regular Reserves	4,990,100.77	
Undivided Earnings	23,230,769.33	
Equity Acquired in Merger	2,353,963.60	
Net Income	1,118,995.54	
Total Equity		\$ 31,693,829.24
Total Liabilities & Equity:		\$ 333,021,977.24