

## MEMBER SERVICES AVAILABLE

- Debit Cards
- Buzz Points Debit Card Reward Program
- Cashiers Checks & Money Orders
- Christmas Clubs
- Financial Counseling
- Funds Wire Transfers
- Individual Retirement Accounts: Passbook as well as certificates
- Loans: Consumer, Real Estate (Fixed & Variable Rate), & Home Equity
- VISA credit cards through Elan Financial
- Gift Cards
- Payroll Deduction & Direct Deposit
- Redemption of U. S. savings bonds
- Share Accounts
- Share Draft (Checking) Accounts, Money Market, & Economy
- Share Certificates (\$500 Minimum) with various rates and terms. Monthly or quarterly dividend payouts available
- 24 Hour telephone and internet account access
- Online bill pay
- Mobile banking
- E-statements
- Used Auto, Camper, and Motor Home Price Guides

Member Paid: Life Insurance, Loan Protection, & Disability Insurance

*Certain fees may apply to the above services.*

Available through G.P. Financial Services, Inc.:

- \*Discount Brokerage Service
- \*Self-Directed Individual Retirement Accounts
- \*Tax-Advantaged Investments
- \*Mutual Funds
- \*Insurance Products: Life, Annuities, Cancer

\*LPL, Inc, member FINRA/SIPC is not affiliated with Great Plains Federal Credit Union or its subsidiaries. Securities and insurance products offered through LPL and affiliated insurance agencies are \*not insured by the NCUA or any other Federal Government agency \*not a deposit or other obligation of, or guaranteed by any Credit Union or their affiliates \*subject to risk including loss of principal amount invested.

## BOARD OF DIRECTORS

**Robert Medley, Chairman**  
**Joseph Cowen, Vice-Chairman**  
**Jim Oberbeck, Treasurer**  
**Cecil Flood, Secretary**  
**Pat Flanagan**  
**Larry Lacey**  
**C E Starkweather**  
**Zelma Watts**  
**Jeffrey Zimmerman**

## SUPERVISORY COMMITTEE

**John Alford, Chairman**  
**Ken Martin**  
**Robert Medley**  
**Steven Smith**

**Kelley Melton,**  
**President/CEO**

# GREAT PLAINS FEDERAL CREDIT UNION

# 2019

# Annual Report

*Dear Members,*

*To say these are challenging times is most definitely an understatement. Lives have been physically & financially disrupted to levels rarely encountered before. Great Plains has taken action to try & alleviate some of the impact on our members. We have deferred loan payments allowing members to focus on feeding their families & paying bills. Fees were waived for two months allowing members to overdraft accounts or move funds without incurring the added hardship of charges associated with our services.*

*Hopefully these small actions have allowed you to focus on the more-important things ... the health & welfare of you & your family. Please know that you are essential to us & we remain focused on providing the financial services you need at all times.*

*Sincerely,*

*Great Plains Federal Credit Union*



### Chairman's Report

Even before the pandemic, the credit union was researching ways to provide a more satisfying and beneficial member relationship. While the credit union provides remote electronic account access, the disruption caused by COVID-19 revealed the need for additional service options. The board and management will include these in determining how to better serve our members in the future.

Throughout the developing crisis, the board and management deliberated extensively before each decision that was made. The focal point was always how to continue providing the best service possible while enacting additional safety precautions and minimizing service disruption. We knew members had enough to worry about.

We want to commend our members on their patience and resiliency during these times. Many showed concern for our staff and their welfare. Also want to take this opportunity to thank the staff for their efforts to assist members as they dealt with issues that arose. Great Plains took steps to assist members while maintaining safety and soundness which is in the interest of all members.

Together we'll work through this as we have other challenges and will continue striving to elevate our members' financial condition to the best it can be. Thank you.

### Supervisory Committee Report

The Supervisory Committee oversees credit union records to ensure accuracy, compliance, and adequacy of controls. Actions taken include the review of closed accounts and handling of returned statements.

The National Credit Union Administration (NCUA) conducted an exam during 2019 to review credit union regulatory compliance. Audits and quarterly reviews were conducted by Cummings, Ristau, and Associates from Saint Louis, Missouri. They concluded that credit union reporting accurately represented the credit union's financial position. The committee is pleased to report that the credit union remains in stable financial condition.

### General Comments on 2019 and 2018 Comparative Financial Statements

Strong loan growth starting in 2018 continued through 2019. The credit union's loan portfolio grew \$20 million in these two years to an all-time high of more than \$107 million. Cash declined due to the high loan demand. Member shares increased nearly \$9 million with much of that increase in the area of CDs and IRAs. Capital increased almost \$1.4 million. Other Assets increased 10%. Most of this area is comprised of various receivables. Fluctuations can vary greatly just because of the timing of inflows and outflows.

The continued increase in loans resulted in Net Interest on Loans to increase 18.5%. Higher yields on investments caused that income area to increase 27% even though actual dollars invested remained about the same. The credit union received nearly \$200,000 in 2018 from National Credit Union Administration as partial reimbursement for funds paid in due to the economic collapse of 2008. That is the main reason Other Income is higher in that year.

Salary and Benefit increases were due to staff additions and increases in health insurance costs. The loan growth over the last two years resulted in higher Occupancy, Operations, and Loan Servicing costs. The credit union has been doing some renovations and extensive maintenance which also increased this expense category. Expenses in these areas are likely to continue rising in the coming years as the credit union focuses on process and product improvement. Losses due to loan charge offs were unusually low in 2018. These losses were higher in 2019 forcing the credit union to begin making more provisions in order to maintain an adequate balance in the loan loss allowance.

The growth in several areas is encouraging. The report does note some accompanying "growing pains" which is to be expected. The credit union remains in solid financial condition and was again able to reward members for their patronage. The 2019 amount returned to members in interest rebates and bonus dividends was second only to the amount given back just the year before.

## **GREAT PLAINS FEDERAL CREDIT UNION COMPARATIVE FINANCIAL STATEMENTS For the Years Ending December 31, 2019 and 2018**

	<b>December 2019</b>	<b>December 2018</b>	<b>Increase (Decrease)</b>	<b>% Change</b>
<b>ASSETS</b>				
Loans to members (net of allowance)	\$ 107,022,926	\$ 94,682,353	\$ 12,340,573	13.0%
Cash	\$ 10,682,456	\$ 12,963,446	\$ (2,280,990)	-17.6%
Investments (net of mkt value adj)	\$ 165,503,008	\$ 165,200,321	\$ 302,687	0.2%
Land, building, and equipment	\$ 3,811,959	\$ 3,980,453	\$ (168,494)	-4.2%
Other assets	\$ 3,872,500	\$ 3,532,148	\$ 340,352	9.6%
<b>TOTAL ASSETS</b>	<b>\$ 290,892,849</b>	<b>\$ 280,358,721</b>	<b>\$ 10,534,128</b>	<b>3.8%</b>
<b>LIABILITIES AND EQUITY</b>				
Liabilities	\$ 2,819,980	\$ 2,625,458	\$ 194,522	7.4%
Member shares (savings)	\$ 238,482,158	\$ 229,520,557	\$ 8,961,601	3.9%
Capital(Reserves & Undivided Earnings)	\$ 49,590,711	\$ 48,212,706	\$ 1,378,005	2.9%
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>\$ 290,892,849</b>	<b>\$ 280,358,721</b>	<b>\$ 10,534,128</b>	<b>3.8%</b>
<b>INCOME</b>				
Interest on loans(Gross)	\$ 5,550,283	\$ 4,985,174	\$ 565,109	11.3%
Less: Interest rebate	\$ (1,072,651)	\$ (1,205,134)	\$ 132,483	-11.0%
Interest on loans(Net)	\$ 4,477,632	\$ 3,780,040	\$ 697,592	18.5%
Income from investments	\$ 3,947,550	\$ 3,106,343	\$ 841,207	27.1%
Other income	\$ 2,409,658	\$ 2,688,776	\$ (279,118)	-10.4%
Net gain (loss) on sales of fixed assets and investments	\$ -	\$ -	\$ -	N/A
<b>TOTAL INCOME</b>	<b>\$ 10,834,840</b>	<b>\$ 9,575,159</b>	<b>\$ 1,259,681</b>	<b>13.2%</b>
<b>OPERATING EXPENSES</b>				
Wages and benefits	\$ 4,316,237	\$ 3,935,877	\$ 380,360	9.7%
Occupancy, operations, & Loan Servicing	\$ 3,168,637	\$ 2,976,504	\$ 192,133	6.5%
NCUSIF deposit adjustment/premium	\$ -	\$ -	\$ -	N/A
Provision for loan losses	\$ 205,000	\$ 40,000	\$ 165,000	412.5%
<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 7,689,874</b>	<b>\$ 6,952,381</b>	<b>\$ 737,493</b>	<b>10.6%</b>
<b>NET INCOME BEFORE DIVIDENDS</b>	<b>\$ 3,144,966</b>	<b>\$ 2,622,778</b>	<b>\$ 522,188</b>	<b>19.9%</b>
<b>DIVIDEND EXPENSE-NORMAL</b>	<b>\$ 2,542,938</b>	<b>\$ 1,865,224</b>	<b>\$ 677,714</b>	<b>36.3%</b>
<b>SPECIAL BONUS DIVIDEND</b>	<b>\$ 499,209</b>	<b>\$ 463,684</b>	<b>\$ 35,525</b>	<b>7.7%</b>
<b>WHAT WE GAINED--NET INCOME</b>	<b>\$ 102,819</b>	<b>\$ 293,870</b>	<b>\$ (191,051)</b>	<b>-65.0%</b>