

## Chairman's Report

Welcome to the Norfolk Municipal Employees Federal Credit Union's (NMEFCU) Annual Meeting and THANK YOU for being a valued member of our Credit Union.

As you know the world is facing uncertain financial times and we understand that our members may be concerned about the health of their financial institution. Please be assured that Norfolk Municipal Employees Federal Credit Union is a stable financial institution that is in the enviable position to weather economic uncertainty. As of December 31, 2010 NMEFCU had 3658 membership accounts with \$164,183.13 in dividends paid to our members. The total asset size of the Credit Union was \$23,943,441.00.

At NMEFCU your funds are insured by the National Credit Union Share Insurance Fund (NCUSIF), which insures deposits of up to \$250,000 per account. We are happy to report that the Credit Union has received excellent reports from the National Credit Union Administration and from the independent auditors hired by your Supervisory Committee.

As a credit union, NMEFCU is owned by its members and therefore puts the needs of our members first. While other banking institutions exist for the primary purpose of providing profits for their outside stockholders and have a paid board of directors representing their shareholders, at NMEFCU we have a volunteer board of directors whose only interest is protecting the members' interests. The Credit Union also has an active volunteer Supervisory Committee appointed by the Board to help monitor and safeguard credit union assets by inspecting its records for accuracy, evaluating internal control procedures, and performing or hiring independent auditors. In addition to the Board and the Supervisory Committee, a new Ambassadors Committee was formed during the past year to solicit additional ideas and feedback from our members.

The Credit Union benefits greatly by having dedicated volunteers. The Board encourages all members to consider contributing to the improvement of the Credit Union through participation in one of the committees referenced. Please do not hesitate to express any feedback that you might have regarding the Credit Union or any interest you might have in increasing your participation by e-mailing me directly at [jkownack@verizon.net](mailto:jkownack@verizon.net). If you prefer, you

can also provide your comments to any board member, committee member or Credit Union employee.

The Board, Volunteers, Management and Staff express to each of you our appreciation for your continued support and loyalty to Norfolk Municipal Employees Federal Credit Union.

John Kownack  
Chairman, Board of Directors

## HOME EQUITY—DISCOVER THE OPTIONS



Equity is the difference between the amount your home is worth and the amount you owe on it. You can turn that equity into cash with a NMEFCU Home Equity Loan or Line of Credit. Cash for whatever you need it for—home improvements, college tuition, an emergency fund, or even a well-deserved vacation.

**Apply today while rates are low!**

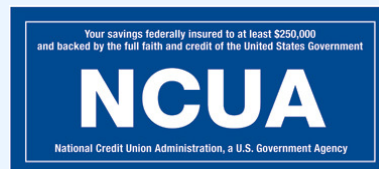
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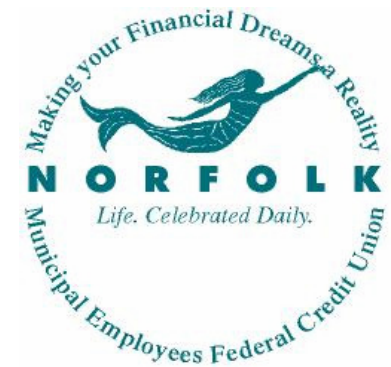
**Audio Teller: 800-372-07610**

**[www.norfolkcu.org](http://www.norfolkcu.org)**

**E-mail: [nmefcu@norfolkcu.org](mailto:nmefcu@norfolkcu.org)**



# Norfolk Municipal Employees Federal Credit Union 2011 Annual Meeting



## 2010 Annual Meeting Minutes

The 53<sup>rd</sup> Annual Meeting was conducted April 22, 2010. The Annual Meeting Dinner was held at the Norfolk Airport Hilton. The doors opened at 5:30 p.m. The meeting began at 6:30 p.m. Dinner was served at 6:45 p.m. Bob Batcher was the Master of Ceremonies for the event and Peter Georges played the piano to entertain the guest throughout the evening.

Mr. Batcher called on Stephen Patterson to say a prayer for the meeting and the dinner.

Mr. Batcher introduced Ms. Alice Kelly as the Chairman of the Board at 6:30 pm. The Chairman welcomed the members to the 53<sup>rd</sup> Annual Meeting and requested authentication that a quorum was present. Charles Stanley Prentace, Board Secretary, verified that indeed a quorum was present. The Chairman asked that those in attendance review the minutes from the 52<sup>nd</sup> Annual Meeting, which were outlined in the Annual Meeting brochure. Ms. Kelly entertained a motion to approve the minutes. Thomas Luckman motioned and Ed Van Daniker seconded the motion for approval. There being no objection, the minutes were approved.

The Chairman reminded the members that the Board of Directors, Supervisory Committee, and Nominating Committee are all volunteers who devote much of their time and effort to ensure the success of the credit union. She asked that any member who wishes to volunteer of their spare time to the credit union, please contact one of the volunteers or the President/CEO.

The Chairman of the Board next introduced NMEFCU President and CEO, Mr. Edward Van Daniker. Mr. Van Daniker thanked Ms. Kelly and acknowledged his staff for their loyalty and quality of service to the members. He thanked all of the members of NMEFCU for their loyalty and confidence during the economic crisis which began in 2008 and continued throughout 2009. Mr. Van Daniker stated that 2010 was going to be a year of new growth and promotions, and an increased presence within the City. He concluded that the credit union was looking forward to 2010 as being a better year.

Mr. Van Daniker read the financial report. He noted that the dividends paid to the membership in 2009 reflected the efficient use of credit union resources to upgrade the quality of services offered at the most economical cost.

The President then asked the attending members to review the Principal Loan Officer report and solicited feedback from the membership. He noted, the credit union had granted over \$3,800,000 in new loans to members in 2009, a year when many financial institutions were not granting credit to consumers. The Chairman thanked the Supervisory Committee for their

dedicated performance in the role they play in the operation of the Credit Union. In general, the Supervisory Committee monitors the Credit Union's books, verifies policies, and reviews a random sampling of loan requests. She reminded the membership that the Supervisory Committee members are volunteers who are dedicated to the betterment of the Credit Union. Stephen Patterson the gave a report on the Supervisory committee activities as well as the 2009 external audit done by Larsen Allen.

Ms. Kelly asked the membership if there was any unfinished business. As there was no response, she proceeded to thank the nominating committee and cited their dedication as they nominated one of the two Board of Director incumbent, John Kownack. The Chairman entertained a motion for all those in favor of the "slate" to verify with an affirmative response. By unanimous approval, the incumbent member was re-elected to serve on Norfolk Municipal Employees Federal Credit Union's Board of Directors for another three-year term.

Chairman Kelly concluded by announcing the success of the credit union's most recent audit. She concurred with the auditors that the credit union is well run, is financially sound, and has a staff and management team dedicated to advancing credit union goals and the betterment of the membership as a whole.

As there was no further business, a motion was made to adjourn the meeting. The motion was seconded and the meeting was adjourned at 6:45 P.M.

Charles Stanley Prentace  
Secretary

## President's Report

I am happy to report that your credit union, Norfolk Municipal Employees Federal Credit Union, continues to operate in a safe and sound manner while offering members above market share rates and below market loan rates. The credit union granted \$3,128,314 in new loans to members during 2010. This was during a period of time when banks were still loaning money sparingly.

As you are aware, the recent economic environment for everyone in the country remains very challenging. In spite of this, your credit union has still been able to maintain a Net Worth/Total Assets ratio almost two times greater than that required by law. This success was possible not only because of the expertise and commitment of our volunteer leadership, management, and employees, but most importantly because of you – our members. Your loyalty as member-owners and your continued utilization of our products and services has helped us grow into the safe and sound financial cooperative that we are today. It is evident that our members have always believed in the 'people helping people' philosophy. As we continue our work together, we can make your Credit Union even better than it is today!

We remain committed to enriching the lives of our members and we strive to serve you well. Financial Literacy is recognized as an important tool for personal financial success and can help improve the lives of our members. In addition to maintaining outstanding service and competitive products and services, we intend to expand our focus on member education in 2011.

We appreciate your business and the trust you place in the credit union, and we will continue to do all we can to remain your trusted financial partner.

Maureen A. Romero,  
Interim President/C.E.O.

## Supervisory Committee Report

Your elected Board of Directors, on an annual basis, appoints the Supervisory Committee to act on behalf of the Credit Union membership. The primary function of the Supervisory Committee is to ensure that:

- The Credit Union records are properly maintained in compliance with all applicable laws, regulations and audit requirements.
- The Credit Union policies adopted by your elected Board of Directors, and those established by law, are adhered to and executed faithfully.
- The Credit Union operations are providing the best possible service and the most equitable treatment to its membership.

Your Supervisory Committee is available to assist members in resolving any issues encountered while transacting Credit Union business. Upon written notification, the Supervisory Committee will carefully assess each issue and provide members with a written response.

Please feel free to bring your comments, concerns or suggestions to the attention of the Supervisory Committee by writing to: **Supervisory Committee, P.O. Box 3992, Norfolk, VA 23514.**

Annual audits have been conducted by the NCUA and the accounting firm of Schreiner, Legge & Company.

The current Supervisory Committee members are: Deborah Morton (Chairman), Allan Bull, Shirley Deibler, Christina Francis-Talley and Joseph Baron.