

2020

ANNUAL REPORT

Standing Together – Advancing Forward



Northern Indiana
Federal Credit Union

Better banking. Brighter futures.

Agenda

1. Call the Meeting to Order
2. Introduction of the Board of Directors
3. Determination of a Quorum
4. Reading/ Approval of the 85th Annual Meeting Minutes (2020)
5. Chairman/President's Report
6. Supervisory Committee
7. Consolidated Financials
8. Unfinished Business
9. New Business
 - a. Report of the Nominating Committee
 - b. Election of Directors
10. Questions
11. Adjournment

Prize Drawing immediately following adjournment.

Board of Directors & Staff

Board of Directors

Beverly Powell-Jackson, Chairwoman
Vern Beck, Vice-Chairman
Jeff Chidester, Secretary
Judy Peterson, Treasurer
Denna Adkins, Supervisory Committee Chairwoman

Leadership Team

Christine Biasi, President & CEO
Doug Clapp, Vice President - Lending & Business Development
Ida Poole, Vice President - Operations Management
Stephanie Iber, Assistant Vice President - Retail Branch Management

Member Services Team

Emily Alonzo, Loan Processor
Annie Eriks, Loan Officer
DiAndra Csomos, Teller/Member Services
Sue Lindborg, Teller/ Member Services
Nancy Porter, Teller/Member Services
Erin Toth, Head Teller/Member Services

Annual Meeting (Virtual) Minutes December 2, 2020

Chairwoman Beverly Jackson called the Annual Meeting to order at 6:00 PM and welcomed all of the participating members. Chairwoman Jackson then proceeded to introduce the Credit Unions Board Members.

Chairwoman Jackson asked Secretary Chidester to report on if the Annual Meeting had established a quorum. Secretary Chidester reported that a quorum had been established and business could in fact be conducted.

Minutes from last year's Annual Meeting were distributed. A motion by Jeff Chidester and seconded by Judy Peterson to approve the minutes as submitted, Motion Carried.

Chairwoman Jackson reported on the financial status of the Credit Union for the past year, which was positive.

The Presidents Report was given by CEO Christine Biasi. Christine gave a detailed report regarding the Staff of the Credit Union and some of the changes and achievements the Credit Union has experienced in the past year. Christine also outlined the future goals of the Credit Union that were discussed at our Strategic Planning Session which was held in 2019.

Denna Adkins provided a detailed report from the Supervisory Committee as the Board of Directors liaison to that committee.

Judy Peterson gave a report of the Nominating Committee and also reported that the names of Vern Beck and Jeff Chidester be placed in nomination for the 2 Board of Directors positions. Chairwoman Jackson determined that Vern Beck and Jeff Chidester shall be elected by acclamation.

Stephanie Iber conducted the Door Prize Drawing.

Chairwoman Jackson THANKED everyone and adjourned the Annual Meeting at 6:29PM.

Respectfully submitted,

Jeff Chidester
Board Secretary

Chairman & President's Report

On behalf of our dedicated staff and volunteer board, it is both an honor and privilege to present the 2020 Annual Report for Northern Indiana Federal Credit Union (NIFEDCU).

The Board of Directors is elected from the membership of the credit union and has a fiduciary responsibility to ensure the safety and soundness of the organization. The Board is comprised of volunteers from a wide variety of backgrounds and work experience. The Board's role is to oversee the management of the credit union and collectively set strategic objectives. The President & CEO manages the day-to-day operations and works with the Board on strategic direction.

First, our sincerest sympathies are extended to all of our members that have been personally impacted by the loss of a loved one or suffered a financial hardship due to the COVID-19 pandemic. Please know, NIFEDCU is committed to providing assistance.

Very early on in the COVID-19 Pandemic, NIFEDCU took the unprecedented step to pre-approve any member in good standing with an automatic 3-month loan payment deferral. In fact, our Payment Pause program provided eligible members with a choice between a payment reduction or payment deferral. At one point, we had over \$1M in deferred loan payments including auto and mortgage loans!

Regardless of the challenges over the past year, NIFEDCU remained steadfast to our primary strategic objective and successfully converted to a new core processing system. A technology conversion is a big deal as it not only provides operating efficiencies, but more importantly, the opportunity to better engage our members and provide must-have services such as remote deposit, remote signature, mobile banking and instant issue debit cards.

At the end of 2020, NIFEDCU had 5,000 members, \$39.1M in assets, \$36.1M in shares and almost \$16.5M in loans. Moreover, the Credit Union's net-worth/capital ratio stands at 7.22%, which is considered "well capitalized" and is the highest designation assigned by the National Credit Union Administration. Therefore, your Credit Union remains financially strong and operationally sound.

NIFEDCU's everlasting commitment is to continue to grow member engagement with the goal of enhancing your experience, increasing our outreach and to offer you more for your membership. We are a non-for-profit financial institution dedicated to hard-working families. We belong to you.

Finally, the credit union succeeds only through the success of all members, and we believe NIFEDCU is a valuable benefit that lasts a lifetime. Remember to "share the benefit" with family and friends!

Thank you for your continued loyalty, and sustained support for the credit union.

Respectfully submitted,

Beverly Jackson
Chairwoman of the Board

Christine Biasi
President & CEO

Supervisory Committee Report

The Supervisory Committee is appointed by the Board of Directors of Northern Indiana Federal Credit Union (NIFEDCU) and operates under the rules and regulations of the Federal Credit Union Act.

The Supervisory Committee, composed of a chairperson and three committee members, is a standing Committee of the Board established to assist the Board in fulfilling its statutory and fiduciary responsibilities.

The role of the Supervisory Committee is to assist the Board of Directors in fulfilling its oversight responsibilities for (1) the integrity of the Credit Union's financial statements; (2) the Credit Union's compliance with legal and regulatory requirements; (3) the independent auditor's qualifications and independence; and (4) the performance of the Credit Union's internal audit function and independent auditors.

To that end, the Supervisory Committee contracted with Homer, Wilson & Company, LTD to conduct the Credit Union's 2020 annual financial statement audit. Results of the audit indicate that the financial statements present fairly the results of the operations and financial position for the period. The Supervisory Committee is proud to report that there were no material weaknesses to report.

Respectfully submitted,

Supervisory Committee
Denna Adkins, Chairman



HOMER, WILSON & COMPANY, LTD.

CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors Northern Indiana Federal Credit Union

Introductory

We have audited the accompanying financial statements of Northern Indiana Federal Credit Union, which comprise the statements of financial condition as of September 30, 2020 and 2019, and the related statements of income, changes in members' equity, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial condition of Northern Indiana Federal Credit Union at September 30, 2020 and 2019, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Homer, Wilson & Co.

Certified Public Accountants

Munster, Indiana
January 8, 2021

2020-2019 Financial Results

Consolidated Statement of Financial Condition

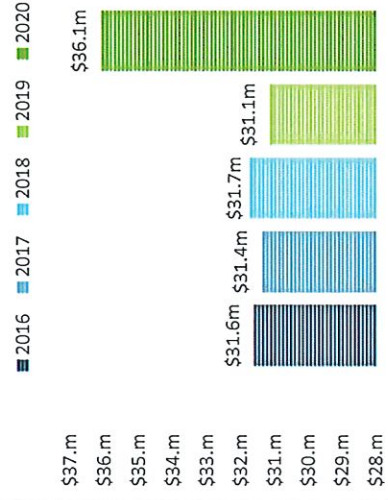
As of December 31, 2020 and 2019

	2020	2019
ASSETS		
Cash/Investments	\$ 21,001,875	\$ 19,279,988
Loans	\$ 16,570,725	\$ 13,696,328
Other Assets	\$ 1,454,213	\$ 1,032,219
Loan Loss Reserves	\$ 33,660	\$ 48,728
TOTAL ASSETS	\$ 39,060,473	\$ 34,057,263
MEMBER SHARES & LIABILITIES		
Shares	\$ 36,086,764	\$ 31,131,692
Dividends Payable	\$ 26	\$ 13
Accounts/Notes Payable	\$ 153,511	\$ 146,834
TOTAL LIABILITIES	\$ 36,240,301	\$ 31,278,539
MEMBERS' EQUITY		
Regular Reserves	\$ 1,198,044	\$ 1,198,044
Undivided Earnings	\$ 1,622,128	\$ 1,580,680
TOTAL MEMBER EQUITY	\$ 2,820,172	\$ 2,778,724
TOTAL LIABILITIES AND MEMBER EQUITY	\$ 39,060,473	\$ 34,057,263

TOTAL ASSETS



MEMBER SHARES



LOANS



2020-2019 Financial Results *continued*

Consolidated Statement of Income

As of December 31, 2020 and 2019

	2020	2019
INCOME		
Investment Income	\$ 345,123	\$ 401,067
Interest Income (Loans)	\$ 698,589	\$ 649,066
Fee Income	\$ 318,636	\$ 540,996
TOTAL INCOME	\$ 1,362,348	\$ 1,591,129
EXPENSE		
Operating Expense	\$ 1,294,140	\$ 1,447,361
Reserve for Loan Loss	\$ (3,965)	\$ (4,343)
Dividend Expense	\$ 30,250	\$ 22,302
TOTAL EXPENSE	\$ 1,320,425	\$ 1,465,320
NET INCOME	\$ 41,923	\$ 125,809



Nominating Committee Report

The Board of Directors of Northern Indiana has four (4) open seats this year; each open seat serves a three-year term. The Committee has received and approved candidate applications from one (1) incumbent Board Members and three (3) new Board Members. Therefore, the Nominating Committee has placed the following individuals in nomination for the 2021 election:

Donald Bull
Angie Dandurand
Judy Peterson
Jim Stemmler, Jr.

Candidate Information

Donald Bull

Don currently serves as Director, Generation Engineering at NIPSCO. Don has held many management & leadership positions over the last 30+ years including developing and managing budgets for facilities and major infrastructure programs.

Don's community & professional affiliations include the Project Management Institute and the Northwest Indiana Business Round Table, which included multiple committee chairman positions.

Don pledges to commit the time and effort required to understand his fiduciary responsibility as a Board of Director as well as, fully engage with both the Board and management team on all issues presented.

Finally, as a member since 1980, Don recognizes the value of Northern Indiana Federal Credit Union and is ready to support decisions that are in the best interest of the membership.

Angie Dandurand

Angie is currently retired after working in the financial services industry for over 25 years (hospitality prior). Angie has held management positions in both banks and credit unions. She spent the last 15 years in the Credit Union sector and has extensive experience in management, operations, core processing and auditing. Angie has participated and graduated from many industry specific education programs and was also selected by her former CEO to be a member of the President's Forum – a professional organization dedicated to finding, developing & sharing better management methods.

Angie has previously served as both a Board of Director & Chairman of the Supervisor Committee for Northern Indiana Federal Credit Union. After a brief hiatus, she is excited for the opportunity to return and provide due-diligence oversight.

As a Board of Director, Angie is committed to the integrity and the financial soundness of the credit union. She is guided by the credit union philosophy of "people helping people" and will ensure that the credit union is committed to providing products and services that are in the best interest of the membership.

Candidate Information

Jim Stemmler, Jr.

Jim is currently the Financial Secretary/Treasurer of Iron Workers Local 395 and has been an ironworker for 32 years. On top of his current role, Jim has held other positions within the leadership of Local 395 including:

Executive Board	2011-2014
Business Agent	2016-2020

As the Financial Secretary/Treasurer, Jim is responsible for the financial management and reporting of multi-million-dollar funds/accounts. Subsequently, he will utilize his experience and leadership to provide strategic guidance and ensure appropriate oversight of Northern Indiana Federal Credit Union.

Jim has also been a member of Northern Indiana Federal Credit Union since 2000.

Finally, Jim has pledged his commitment to Northern Indiana Federal Credit Union and plans to regularly attend/participate in monthly meetings.

Judy Peterson

Judy is currently the Treasurer of the NIFEDCU Board of Directors. She has served on the Board since the 1970's.

Judy is retired from NIPSCO after 35 years of service. She spends some of her retired time serving on the Hobart Nazarene Church Board, where she holds the positions of Secretary and Head Trustee.

As a Board of Director, Judy is committed to the philosophy of "people helping people". She will continue to act in the best interest of the credit union and the members. Judy has been a credit union member since 1974.