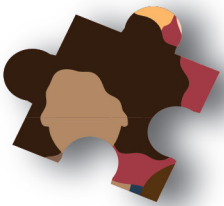




Federal Credit Union

2026

ANNUAL MEETING



EVERYONE PLAYS AN IMPORTANT PART IN OUR SUCCESS



Federal Credit Union

MC FEDERAL CREDIT UNION CHARTER 24929 - APRIL 7, 2026

ANNUAL MEETING AGENDA

Registration.....	5:00 p.m. - 5:45 p.m.
Blessing.....	James Lapp, Maintenance Technician
Dinner.....	5:45 p.m.
Welcome.....	Matthew Hoeger, Board Secretary/Treasurer
Call to Order.....	Douglas Bastian, Board Chairperson
Consent Agenda:	
Minutes.....	Addendum
Treasurer's Report.....	Program Booklet
Supervisory Committee's Report.....	Program Booklet
Service Awards.....	Rose Williams, Board Director
President & Chairperson's Report.....	Elba Arenas, President & CEO, and Douglas Bastian, Board Chairperson
Election Results.....	Brian Ulmer, Board Vice Chairperson
Shining Star Award.....	Elba Arenas, President & CEO
President's Award.....	Elba Arenas, President & CEO
Adjournment.....	Douglas Bastian, Board Chairperson



OUR MISSION

To be the catalyst that positively impacts
the financial health and well-being
of our members and the communities we serve.

OUR VISION

To be the financial institution and
workplace of choice in our community.

OUR VALUES

Leading change through innovation.

Invent the future.

Leadership through the relentless pursuit of excellence.

Own the results.

Respect for all integrity always.

Be open, be honest.

One team committed to common goals.

One team, one result.

Everyone plays an important part in our success.





ONE TEAM, ONE RESULT





2025 CHARITABLE GIVING

4 Paws Sake

Alzheimer's Association

American Cancer Society Relay for Life

ARC Animal Resource Center

Atlas Fire Company

Benefit For Josh Tripp

Bloomsburg Food Cupboard

Bloomsburg Theatre Ensemble

Buffalo Valley Singers

Catawissa Little League

Central Columbia High School Band Boosters

Central PA Chamber Of Commerce

CMSU Behavioral Health & Development Services

Columbia Montour Chamber Of Commerce

Columbia-Montour Area Vocational Technical School

Danville Business Alliance

Danville Halloween Parade

Danville Police Officers Association

Danville Spring Fling

Donald L Heiter Community Center, Inc.

Ed Romance Lower Anthracite Chapter of the Pennsylvania Sports Hall of Fame

Fraternal Order of Eagles Aerie 464

Freedom Life Church

Getting Ahead Foundation

Global Woman's Leadership Network

Greater Susquehanna Valley Chamber of Commerce

Knights Of Columbus / Kulpmont Winefest

Kulpmont Football Baseball Association

MC Federal Credit Union Members In Need

MC Federal Credit Union Scholarship Program

Mifflinburg Buggy Museum

Milton Treats on the Track

Mommy And Me Rescue

Mount Carmel Area Ministerium Food Pantry

Mount Carmel Education Foundation

Mount Carmel High School Athletics

Mount Carmel Spring Fling

National Night Out Lewisburg

Pennsylvania SPCA Danville Center

Riverside Food Bank

Service 1st FCU Golf Tournament

Southern Columbia Area Football Cheer Boosters

SunEast Foundation Golf Tournament

The Narrow Way Church

The Road To Financial Wellness

The Women's Center Inc

Toys For Tots

Transitions Of Pa

Union County Veterans 4th Of July Committee

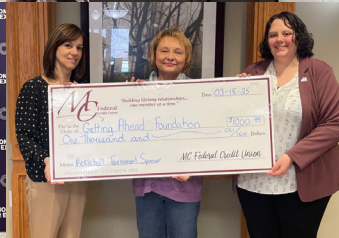
United Way Wee Read Program

W&L Nissan + Mazda's Fallfest

WellSpan Evangelical Community Hospital

WellSpan Evangelical Healthy Kids Day

Wilburton Hose Company #1





PRESIDENT AND CHAIRPERSON'S REPORT

Welcome to the 71st Annual Meeting of MC Federal Credit Union. I am honored to join Doug Bastian today to share highlights from an outstanding year. In 2025, the credit union achieved record-breaking financial results, and we enter 2026 with optimism and strong momentum. For a quick overview of our performance, please see our Metrics for Success on page 7 of this report.

This past year, MC Federal Credit Union focused on strengthening the core values that guide everything we do: innovation, leadership, integrity, teamwork, and recognizing that everyone contributes to our success. Our team members play a key role in fostering exceptional member service and operational excellence in every location. We significantly expanded our Field of Membership, increasing the number of Select Employee Groups (SEGs) from 366 in the prior year to 552. This growth of 51% can be attributed to the dedicated business development efforts of our Branch Managers. Keep an eye out as we continue to expand our footprint into the community of Berwick. This continues our strategy of serving the underserved and positively impacting the financial health and well-being of the members and communities we serve.

Another way we bring our core values to life is through our free financial literacy course, The Road to Financial Wellness. This program helps remove barriers that many participants face, whether due to language, economic circumstances, or past experiences. Our curriculum serves a diverse group of individuals, giving people the tools and confidence to take control of their finances, regardless of age, ability, background, or education level. We are especially grateful to our team members who volunteer their time to deliver this important financial guidance.

Our team continues to lead with heart, dedicating more than 1,340 volunteer hours in 2025 to support our communities. Our 5th Annual Charity Golf Tournament was a highlight of the year, raising \$32,000 to benefit the Getting Ahead Foundation and help individuals achieve greater financial stability. Beyond the tournament, our team proudly contributed to numerous other charitable organizations across our footprint, making a tangible difference in the lives of many. For a complete list of our community initiatives, please see page 3 of this report.

MC Federal Credit Union remains committed to advocating for policies that protect and empower our members. In 2025, we actively engaged with lawmakers and industry organizations on issues such as credit card interchange fees and fair rates. By lending our voice to these important discussions, we aim to ensure that our members have the ability to obtain affordable, transparent financial products and that their interests are represented at both the state and national level.

THIS PAST YEAR, MC FEDERAL CREDIT UNION FOCUSED ON STRENGTHENING THE CORE VALUES THAT GUIDE EVERYTHING WE DO: INNOVATION, LEADERSHIP, INTEGRITY, TEAMWORK, AND RECOGNIZING THAT EVERYONE CONTRIBUTES TO OUR SUCCESS.



As we conclude our 71st Annual Report, we extend our heartfelt thanks to you, our valued member-owners. Serving you continues to be our privilege, and we deeply appreciate the trust and relationships we have built together over the years. We remain committed to Educate, Enlighten, and Celebrate you as your trusted financial partner. We also offer sincere gratitude to our Board of Directors, Supervisory Committee, and Executive Leadership Team for their thoughtful guidance and unwavering dedication. And to our team, thank you for delivering exceptional member service, living our values, and for bringing the MC mission to life every day. We look forward to building on this year's successes and making 2026 another year of meaningful impact.

Elba I. Arenas
Elba Arenas
President & CEO

Douglas W. Bastian
Douglas Bastian
Board Chairperson



TREASURER'S REPORT

2025 was a landmark year for MC Federal Credit Union, delivering the strongest financial performance in our more than 70-year history. We closed the year with \$243.4 million in assets and net income just over \$3.8 million - numbers that reflect our disciplined management and commitment to our members. Our year-end net worth ratio of 11.83% far exceeds the 7% required by the National Credit Union Administration to be considered "well-capitalized," underscoring the financial strength and stability that allow us to continue serving our members and communities with confidence.

The strength of MC Federal Credit Union's performance stands out when compared to our peers. Return on Assets (ROA), a key measure of a credit union's efficiency, ended the year at 1.62% for MC - well above the 0.92% average for peer institutions. Our commitment to delivering value to members is equally clear. In 2025, MC members received over \$4.1 million in dividends, averaging 1.95% per share - 35% higher than our peers. Members also benefited from lower fees, paying an average of \$65 for the year, slightly lower than the fees paid at competitor institutions. These results demonstrate that MC Federal continues to combine strong financial performance with tangible benefits for those we serve.

MC Federal Credit Union continued to see strong growth in membership throughout the year. In 2025, we welcomed 939 new members, bringing our total membership to 13,704. Our members grew by 2.49%, outpacing our peers, who experienced an average member growth of just 0.94%. Lending activity also remained strong, particularly in commercial loans and home equity products, including both fixed-rate options and lines of credit. Overall, our loan portfolio increased by 5.59%, while peer institutions experienced an average growth of 3.43%. We believe this continued growth reflects our commitment to offering competitive rates and valuable financial solutions to our members.

The consolidated financial statements can be found on page 6 of this report. These statements reflect the continued strength and stability of MC Federal Credit Union as we navigate an evolving economic and political environment. With a solid financial foundation, we remain well-positioned to support our members and the communities we serve in the years ahead.

Matthew Hoeger, Secretary/Treasurer of the Board of Directors

SUPERVISORY COMMITTEE'S REPORT



The Supervisory Committee is a Board-appointed, independent volunteer body responsible for overseeing MC FCU's internal controls, financial reporting, and governance to safeguard member assets. Consistent with NCUA guidance, the Committee operates independently in fulfilling its oversight of the Credit Union's safety and soundness. To carry out these duties, the Committee engages qualified external auditors and oversees internal audit activities to evaluate regulatory compliance and identify control or operational weaknesses.

In accordance with NCUA Part 715 requirements, the Committee ensures completion of the Annual Financial Statement Audit and the Verification of Member Accounts. These engagements are performed by Doeren Mayhew, Certified Public Accountants. The most recent audit reports did not identify any material weaknesses, significant deficiencies, or reportable findings.

In support of its oversight responsibilities, the Supervisory Committee directed and monitored several specialized external compliance audits during the year. Feather CU Services, LLC conducted independent audits of the Credit Union's BSA/AML program, including MIP, OFAC, and ACH compliance, while CrossState Credit Union Association performed targeted reviews of Website compliance, Dormant/Escheatment practices, Regulation CC, Truth in Savings (Regulation DD), Privacy (Regulation P), and UIGEA compliance. The results of these engagements, along with management's corrective actions where applicable, are reported to and tracked by the Supervisory Committee, with no material findings or reportable deficiencies identified.

The Supervisory Committee oversees the Credit Union's internal audit function and has delegated day-to-day internal audit activities to the Compliance and Information Security Officer. In 2025, internal audit activities included targeted compliance reviews of Fair Lending, Dormant Accounts, HMDA data integrity and outlier analysis and Regulation E to assess regulatory compliance and the effectiveness of internal controls. Routine branch audits were also conducted to verify adherence to established policies and procedures, including cash counts and operational control reviews to safeguard member assets.

There are no unresolved member complaints directed to the Supervisory Committee as of 12/31/2025.

The Supervisory Committee recognizes that the positive results of these audit and compliance engagements reflect the strong oversight provided by the Board of Directors and the proactive leadership of Management. We appreciate the continued dedication of our volunteers and staff to maintaining effective internal controls, strengthening regulatory compliance, and safeguarding the interests of MCFCU's members.

Mark Reif, Chairperson of the Supervisory Committee



BALANCE SHEET AND INCOME STATEMENT

BALANCE SHEET

ASSETS		
	2025	2024
Cash and Cash Equivalents	\$ 2,930,252	\$ 2,597,109
Investments	63,822,665	63,733,038
Loans to Members	166,936,515	158,136,187
Assets in Process of Liquidation	-	-
Accrued Interest Receivable	936,795	892,5387
Property and Equipment	3,321,001	2,890,626
Other Assets	5,488,485	5,308,168
TOTAL ASSETS	\$ 243,435,713	\$ 233,557,665
LIABILITIES AND MEMBERS' EQUITY		
Liabilities		
Members' Shares	\$ 214,794,760	\$ 209,709,253
Accounts Payable and Accrued Expenses	1,675,121	1,897,011
Accrued Interest and Dividends Payable	79	-
Total Liabilities	216,469,960	211,606,264
Members' Equity		
Retained Earnings	28,794,422	24,931,630
Accumulated Other Comprehensive Income	(1,828,669)	(2,980,229)
Total Members' Equity	26,965,753	21,951,401
TOTAL LIABILITIES AND MEMBERS' EQUITY	\$ 243,435,713	\$ 233,557,665

INCOME STATEMENT

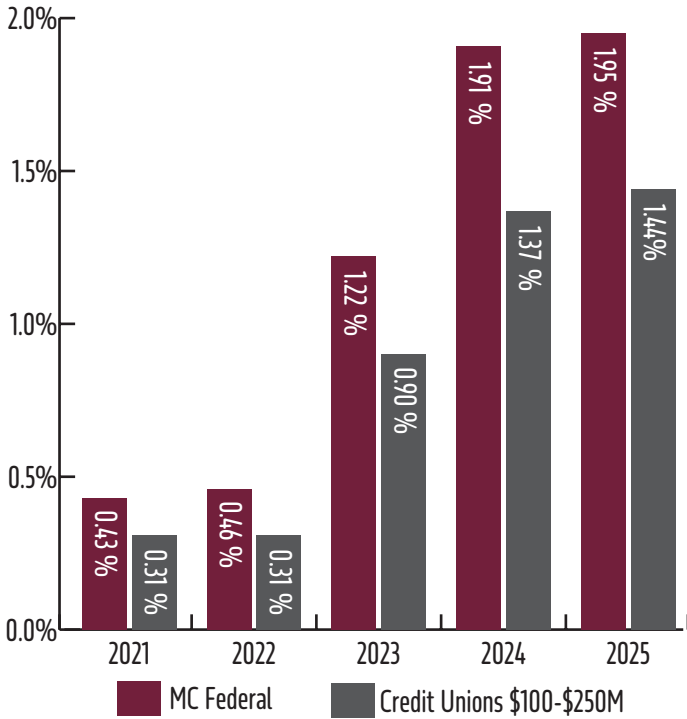
	2025	2024
Interest Income		
Members' Loans	\$ 10,382,746	\$ 9,903,666
Investments	2,425,935	1,988,9489
Total Interest Income	12,808,681	11,892,615
Interest Expense		
Members' Dividends	4,189,402	4,003,023
Other Interest Expense	1	-
Total Interest Expense	4,189,403	4,003,023
Net Interest Income Before Provision for Loan Losses	8,619,278	7,889,592
Provision for Loan Losses	607,456	632,622
Net Interest Income After Provision for Loan Losses	8,011,822	7,256,970
Non-Interest Income	2,042,790	1,884,137
Impairment of Corporate Member Capital Account	-	-
Total Non-Interest Income	2,042,790	1,884,137
Total Non-Interest Expense	6,194,020	6,054,643
Net Income From Operations	3,860,592	3,086,464
Other Gain (Loss)	2,200	30,874
Corporate Stabilization Expense	-	-
NET INCOME	\$ 3,862,792	\$ 3,117,338



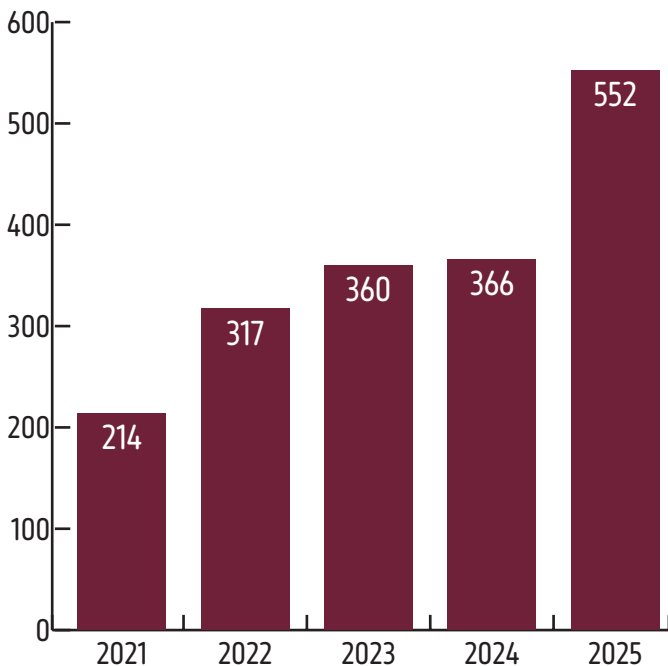
METRICS FOR SUCCESS



1.95%
Average Dividends per Share



552
Number of Select Employee Groups



\$243.4M
Asset Size



11.83%
Net Worth Ratio



13,704
Total Number of Members



\$4,189,402
Total Dividends Paid to Members



939
Total New Memberships Opened



14,559
Average Monthly Transactions



68
Road to Financial Wellness Graduates



1340+
Team Member Volunteer Hours



\$48k+
Charitable Contributions



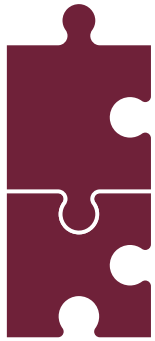
1,243
New Loans Granted



\$45,787,651
Balance of New Loans



2025 SERVICE MILESTONES



Congratulations

Thank you all for being such valuable members of our team. Your dedication to our members is greatly appreciated. May you take some time to reflect on your accomplishments over the years and be blessed with continued growth and prosperity in the years ahead.



Kelsey Hartzler
Loan Administrator



Brian Ulmer
Board of Directors Vice Chairperson



Rachel Bennett
Lead Member Service Representative

RECOGNIZING ACHIEVEMENT



Cameron Britt, Financial Analyst, was selected as the recipient of the 2025 Paul E. Kanjorski Young Professionals Advocacy Scholarship. This honor provided him with the opportunity to attend the America's Credit Unions Governmental Affairs Conference (GAC), where credit union professionals from across the country gather to advocate for the industry and its members.

Presented by the CrossState Credit Union Foundation, the scholarship celebrates the legacy of Paul E. Kanjorski, who championed key legislative initiatives benefiting credit unions throughout his career. Each year, the Foundation invests in the next generation of leaders by sponsoring a young professional to participate in GAC and experience advocacy at the national level.





THE MC FEDERAL TEAM

BOARD OF DIRECTORS



Douglas Bastian
Chairperson



Brian Ulmer
Vice Chairperson



Matthew Hoeger
Secretary/Treasurer



Lynn Naugle
Director



Rose Williams
Director



Paul W.J. Dalkiewicz
Director



Lonnie Hill
Director

SUPERVISORY COMMITTEE

Mark Reif
Chairperson

Michael Smith
Member

John Furia
Member

Lonnie Hill
Board Liaison

EXECUTIVE TEAM



Elba Arenas
President & Chief Executive Officer



Annette Welch
Chief Member Experience Officer



Brian Wiktor
Chief Lending Officer



Samantha Kostura
Chief Financial Officer



Thomas Ha
Chief Information Officer

MEMBER SERVICE TEAM

CORPORATE SUPPORT

Shawn Merritt, Compliance & Information Security Officer
Natalie Waltz, HR Manager & Administrative Assistant
Ashley Jones, Marketing & Education Specialist
Jordan Berry, Marketing Assistant Intern
Sara Moyer, IT Support
Ava Krum, Programmer Analyst
Makenzie Pyle, Quality Assurance Auditor
Gavin DeGreen, Digital & Card Specialist
Peggy Fullmer, Accounting Supervisor
Ann Lenhart, Accounting Clerk
Luis Hernandez Pena, Accounting Clerk
Cameron Britt, Financial Analyst
Katelin Colley, Member Resolution Manager
Raely McFarland, Member Resolution Specialist
James Lapp, Maintenance Technician

LENDING TEAM

Clinton Young, Consumer & Indirect Lending Mgr.
Desiree Lynch, Loan Officer
Kristen Bastian, Loan Officer
Heather Johnson, Business Analyst/Lender
Diane Elliott, Commercial Loan Officer
Kelsey Hartzler, Loan Administrator

MEMBER SERVICE REPRESENTATIVES

DANVILLE

Carla Schmidt, Branch Manager
Stephanie Martello, Lead MSR
Julie Page, Backup Lead MSR
Abigail Loesser, MSR
Linda Rhodes, MSR

BLOOMSBURG

Jennifer Dippold, Branch Manager
Rachel Bennett, Lead MSR
Melanie Matter, Backup Lead MSR
Elizabeth Reed, MSR

LEWISBURG/WELLSPAN EVANGELICAL

Martha Stooks, Lead MSR
Eric Winter, MSR
Leah Smith, MSR
Olivia Hauck, MSR

MOUNT CARMEL

Candace Treshock, Branch Manager
Wendy Flynn, Lead MSR
Natalie Stefanowicz, Backup Lead MSR
Kevin Candelora, MSR

CONTACT CENTER

Lydia Moore, Call Center Supervisor
Gerald Krepps, Member Service Officer
Maria Ha, Member Service Officer
Rashelle Greaser, Member Service Officer



Federal Credit Union



STAY CONNECTED

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@MCFederalCreditUnion



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