

74th Annual Membership Meeting



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Xplore Mission

We are a financially sound community-chartered credit union with loyal members. We do not lose sight that we are a member-owned financial institution and strive to give our members personal service.





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AGENDA

Call to Order

Determination of Quorum

Approval of Minutes

Board Chair Report

Treasurer's Report

Supervisory Committee Report

New Business

Questions



BOARD OF DIRECTORS

- Neil Johnston** Chair
- Maureen (Mo) Genovese** Vice Chair
- Danilo J. Saborio** Treasurer
- Cindy Kraus** Secretary
- Courtney Miller** Director
- Jason Phillpott** Director
- Debbie Hawkins-Williams** Director
- Michael Baranovic** Associate Director

SUPERVISORY COMMITTEE

- James T. Hannan (JT)** Chair
- Eugene Greene** Committee Member
- Jimmy Ordeneaux** Committee Member
- Anthony Turley Jr.** Committee Member

SENIOR MANAGEMENT

- Rafael Rondon** CEO
- Darlene Lockhart** CFO
- Jodi Boudreaux** COO
- Doug Tassin** VP of Lending
- Gaynell Harrison** VP of Information Technology
- Alisa Nelson** VP of Human Resources
- Michael A. Roussel Jr.** AVP of Marketing

2020 BOARD CHAIR REPORT

Since opening its doors over 70 years ago, Xplore Federal Credit Union has built a reputation of being devoted to excellence in serving its members and the community. That attitude still holds true, and 2020 proved once again that the Credit Union mission of “People Helping People” is the most important factor to Xplore’s continued success.

On behalf of our Board of Directors and the entire Xplore family, I am honored to present our 2020 Annual Report. Our successes in 2020 were done so with enthusiasm, determination, and a great deal of resolve and I am proud to reflect on them.

Our assets grew from \$135 million to \$155 million and we ended the year with almost \$37 million in loans booked; an increase of \$6 million over 2019. I am thrilled to see us serving more members’ financial needs than ever by offering competitive loan products and exceptional financial services to people across the greater NO area.

ASSETS (IN MILLIONS)



LOANS BOOKED (IN MILLIONS)



We launched several relief efforts to lift some of the financial burdens experienced by many Xplore members who were impacted by the COVID-19 pandemic. Xplore refunded and waived thousands of dollars during Louisiana’s Stay-at-Home Order. Additional relief efforts included:

- Granting hundreds of free Skip-a-Pays to assist members with financial hardships.
- Offering emergency no-credit-check loans at 4.99%.
- Deferring payments totaling \$1.8 million in mortgage loans.
- Lowering the interest rate on \$4.6 million in mortgage loans.

Here at Xplore, our accomplishments are attributed to the investments we make in people. As a not-for-profit organization, we’re focused on the financial health of our members rather than maximizing on profits. The small profit we make are cycled back to our members

in the form of innovative technology, high dividends on checking and savings accounts, low rates on loans and credit cards, and more. Xplore members received over \$601,000 in dividends in 2020! In addition, Xplore rolled out additional products and services to better meet our members’ financial needs including:

- Student Debit Account
- Student Credit Card
- Personal Consolidation Loan
- Financial Education Program

Amid the COVID-19 pandemic and specifically, the financial hardships it presented, we recognized that our members needed quick and easy access to their funds. To ensure uninterrupted service and safe banking access, Xplore implemented various services such as full account access through our branch drive-thrus and deployed video banking technology to all branches shortly after the start of the pandemic. Within months of the roll-out of Xplore Away, our credit union was ranked #1 in the nation for member utilization of video banking technology by servicing 1 in 23 members with the platform. The well-being of our members remains our top priority, and no matter what life throws our way, we’ll always be there for them.

I would like to personally thank every Xplore team member for their motivation and ability to quickly react to change seemingly overnight. Within a moment’s notice, non-member facing personnel transitioned to working remotely, branch teams pivoted to drive-thru only access without interrupting service to members, and everyone took on the task of learning new technology to be able to service members in their own homes. It was astounding to see the team adjust and overcome for the betterment of our members.

To the Board of Directors, I’d like to extend my utmost appreciation for your engagement and heart felt service that you demonstrate by volunteering your time for our members and their best interests. Your efforts shined throughout the year, and I know our team and members are appreciative of that.

Of course, we wouldn’t be able to do what we do without our members. On behalf of the entire credit union, thank you for choosing Xplore Federal Credit Union as your financial family for life. As we continue impacting lives across our community, your loyalty continues to be vital in our success.

“The well being of our members remains our top priority, and no matter what life throws our way, we’ll always be there for them.”

Neil Johnston
Board Chair

2020 TREASURER'S REPORT

In 2020, Xplore's Net Income was \$503,000. This is an increase of \$140,000 vs 2019. Due to the pandemic and record low interest rates, the net income increase was obtained primarily by reducing Total Expenses by 4.5%. The \$317,000 reduction in expenses was achieved by reducing Operating Expenses by \$218,000 and reducing Dividend Expense by \$99,000 due to decrease in interest rates.

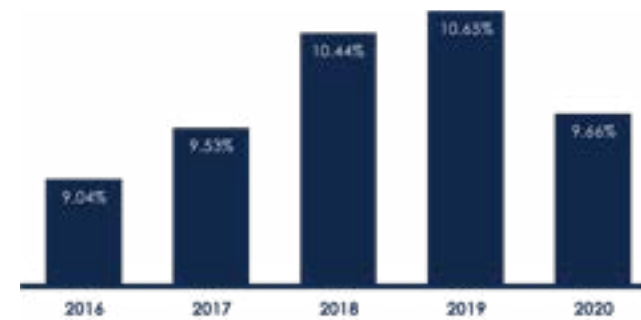
Loan production exceeded 2019's production by \$5.1 Million however loan income declined by \$75,000 or 1.6%. At the same time, investment funds increased by \$11.4 Million but Investment Income decreased by \$255,000 or 37.8%. The declining interest rate environment is the primary contributing factor that lead to the substantial reduction in investment and loan income in 2020.

The COVID-19 pandemic, and the subsequent assistance programs created by the government, has generated an increase in deposits for all institutions in the financial industry. In 2020, Xplore's share deposits increased by 15.5% or \$18.5 Million. This significant increase in deposits fueled an aggressive growth of Xplore's Total Assets which increased by \$19.3 Million or 14.3% and Xplore's Equity by \$523,000 or 3.6%.

Xplore's loan production, while robust, was not able to keep pace with the flood of share deposits. The deluge of deposits watered-down many key financial ratios as experienced by Xplore's Net Worth Ratio which fell from 10.7%

to 9.7%. Despite the challenging conditions, Xplore's Executive Management was able to leverage their expertise to enhance production and generate cost efficiencies to achieve an increase in ROA from 0.26% in 2019 to 0.35% in 2020.

NET WORTH RATIO



ROA



Xplore is on very strong financial ground and continues to improve its financial results every year. Our loan delinquency, or lack thereof,

continues to out-perform our peers. In 2020 we achieved a Delinquency Ratio of 0.05% vs 0.15% in 2019. We are expanding our loan products in 2021 to include Student Loans, Debt Consolidation Loans, and adding a dedicated in-house Commercial Lender. These opportunities will allow Xplore to better service our members' financial needs and to continue to add to our strong financial performance.

“Xplore is on a very strong financial ground and continues to improve its financial results every year.”

Danilo J. Saborio
Board Treasurer



2020 FINANCIAL TRENDS

CONDITIONS

Assets	2020	2019	Change	Change
Loans (Net)	\$104,857,213	\$99,711,628	\$5,145,585	5.16%
Investments	\$29,925,009	\$18,537,546	\$11,387,533	61.43%
Cash	\$9,937,475	\$8,993,198	\$944,277	10.50%
NCUSIF Deposit	\$1,222,082	\$1,184,015	\$38,067	3.22%
Other Assets	\$8,526,687	\$6,733,730	\$1,792,957	26.63%
Total Assets	\$154,468,556	\$135,160,117	\$19,308,439	14.29%

Liabilities, Savings & Equity	2020	2019	Change	Change
Liabilities	\$1,850,658	\$1,542,964	\$307,694	19.94%
Deposits	\$137,692,344	\$119,222,911	\$18,469,433	15.49%
Equity	\$14,925,554	\$14,394,242	\$531,312	3.69%
Total Liabilities, Savings & Equity	\$154,468,556	\$135,160,117	\$19,308,439	14.29%

INCOME & EXPENSE

Income	2020	2019	Change	Change
Loan	\$4,606,678	\$4,682,219	\$75,541	1.6%
Investment	\$420,623	\$675,999	\$255,376	37.8%
Other	\$2,261,456	\$2,103,810	\$157,646	7.5%
Total Operating	\$7,288,757	\$7,462,028	\$173,271	2.3%
Total Non-Operating	\$6,626	\$10,428	\$3,802	36.5%
Total Income	\$7,295,383	\$7,472,456	\$177,073	2.4%

Expenses	2020	2019	Change	Change
Operating	\$6,190,398	\$6,408,733	\$218,335	3.4%
Dividend	\$610,557	\$700,387	\$98,830	14.1%
Total Expenses	\$6,791,955	\$7,109,120	\$317,165	4.5%
Net Income	\$503,428	\$363,336	\$140,092	38.6%

COVID RELIEF EFFORTS

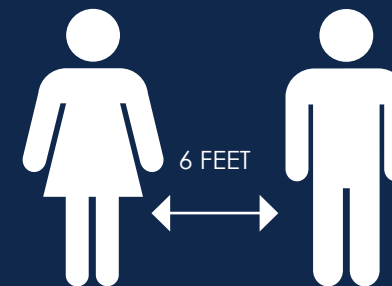
Xplore FCU handled the pandemic with compassion and urgency to maintain services for members, increase access to emergency funds, and ensure member and employee safety. Xplore always followed CDC recommendations and government requirements to safely operate the branches, including maintaining social distancing, requiring temperature checks for employees and visitors, stationing hand sanitizer throughout the branches, displaying proper signage, providing face masks and shields, installing plastic safety guards, implementing enhanced cleaning protocols, conducting additional staff training on COVID safety measures, and encouraging the use of Xplore Away contactless, video banking. Xplore would like to acknowledge all employees for their dedication to safety and member service during this time.

Xplore FCU took the Clean & Safe Jefferson Parish Pledge. The pledge provides a unified message that health and safety standards and protections against the spread of COVID-19 are top priority. Xplore is committed to helping stop the spread of COVID-19 in the community.



MEMBER RELIEF & TESTIMONIALS

- Refunded and waived thousands of dollars in fees.
- Granted hundreds of free Skip-a-Pays.
- Offered emergency No Credit Check Loans at 4.9%.
- Deferred mortgage payments totaling \$1.8M.
- Lowered interest rates on mortgages totaling \$4.5M.



"Your response to COVID 19 was just awesome. I saw no difference in the awesome service."

"Took all the necessary precautions to protect the safety of their employees and customers."

"Online services covered all my needs."

COMMUNITY SUPPORT

SECOND HARVEST

Early in 2020, Xplore was able to conduct a food drive for Second Harvest, the leading food bank in Southern Louisiana. Hundreds of pounds of food were collected in our branches and donated during a great time of need at the start of the pandemic. Second Harvest provides food and support to 700+ community partners and programs across 23 parishes. Xplore has been a proud partner of Second Harvest for years, and is looking forward to continuing the necessary work to end hunger in our community.



SYLVAIN SOCIETY

In January, Xplore again sponsored Sylvain Society's Big Wig Ball, a fundraiser that supports opera education in local schools. The Sylvain Society is the young professional organization of the New Orleans Opera, and conducts events and fundraisers for NOAA Education Department. Funds provide not only free classes for students in the Greater New Orleans community, but also the opportunity for students to attend opera for free as part of Students Night Out. In addition to sponsoring Big Wig Ball, Xplore sponsored virtual programming through the pandemic, including a free financial literacy presentation for young professionals.

HOLIDAY GIVING CAMPAIGN

Xplore FCU launched the 2020 Holiday Giving Campaign as a way to support local foster children and families in need. With normal in-kind donations restricted due to the pandemic, Xplore employees and members were able to donate to the Giving Campaign fund, which was used to provide gifts to CASA and St. Gabriel the Archangel. CASA, Court-Appointed Special Advocates, provides gifts and supplies to children in foster care during the holidays. St. Gabriel the Archangel provides holiday gifts for children attending their free St. Benedict primary school.



INTERNATIONAL CREDIT UNION DAY

Xplore celebrated International Credit Union Day with in-branch decorations, an employee contest, and a grand prize drawing. Every branch was decorated with balloons and members received Xplore branded items. The winners of our employee contest received delicious Nothing Bundt Cakes, and the winner of the drawing received an Xplore Swag Bag and \$500!



2020 MEDIA REPORT

COMMERCIALS

In 2020, Xplore released commercials for broadcast on WGNO and WWL to introduce Xplore Away video banking, and promote Auto Loans and Visa Credit Cards. The new animated commercials were very well received by members and those in the media industry.



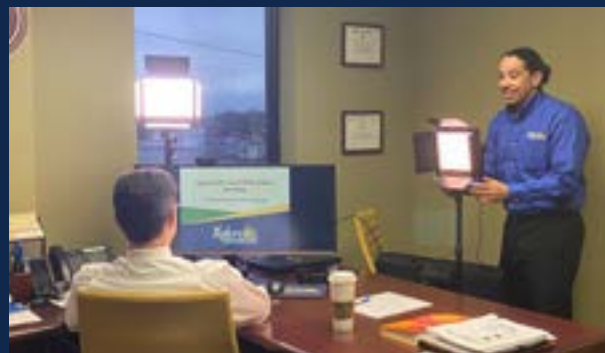
MEDIA PRESENCE

With much of the community focusing on digital news, Xplore increased social media presence on Facebook, Instagram, Twitter, and LinkedIn. Xplore also added a new platform, YouTube. The community has embraced the new digital content @xplorefcu which includes news, helpful tips, and product updates.



SPEAKING ENGAGEMENTS

Xplore was able to quickly adjust to the virtual setting of 2020. Xplore executives were invited to speak at local and national online panels on topics such as technology and innovation, pandemic safety protocols, community engagement, and financial literacy resources.



GREAT DAY LOUISIANA



Xplore partnered with Great Day Louisiana to highlight new products and services. Segments included a tour and overview of the new Xplore Away stations, announcement of the Xplore Education initiative featuring an on-location student presentation, and an anniversary celebration of Great Day with Xplore being a featured guest.



2020 MILESTONES

XPLORE AWAY



Video banking was implemented with resounding success. Xplore Away, a free, convenient video banking app was released on Apple and Android devices, as well as a desktop application available through Xplore's website. This service allows members to speak face to face with a Financial Service Specialist to open accounts, apply for loans, request information, conduct transactions and more!

XPLORE EDUCATION



Xplore Education is an initiative to increase financial literacy within the community through free presentations, digital content via the website, and school sponsorships. Presentations are available to any organization and are paired with free digital content from the website. The website includes over 150 pieces of free financial content for anyone in the community, including calculators, virtual coaches, articles, and online games, all relevant to any age. These resources were made available via sponsorships to five local schools where teachers are given these free digital resources including a dashboard to track student progress.

STUDENT SUITE



Two exciting new products, Student Debit and Student Visa, were added to our product portfolio to create a full student suite of products. The Student Debit is a free account for high school students to help them start on their financial path. The Student Visa helps students learn how to manage and build their credit score. These new products, paired with others such as Xplore Savings, Credit Builder Loan, and First-Time Auto, create a full student suite of products for our members that are starting out on their financial journey to success.

ENHANCED PERSONAL LOANS



Two personal loans were enhanced to create easier ways for members to access funds in times of need. The personal loan product was expanded to include Personal Loan Plus, increasing loan limits for secured personal loans. The no credit check was expanded to include No Credit Check Loan Plus, increasing the available members that could be approved for unsecured personal loans.

FINANCIAL POSITION

BALANCE SHEET

Assets

Cash & Cash Equivalents	\$9,937,475
Investments	\$29,925,099
Loans, Net of Unearned Income	\$105,221,988
Less: Allowances for Loan Losses	\$364,775
Fixed Assets	\$5,331,580
Other Assets	\$4,417,189

Total Assets

\$154,468,556

Liabilities

Accounts Payable and Other Liabilities	\$1,850,658
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Total Deposits

\$1,850,658

Shares

Regular Shares	\$68,093,735
Share Drafts	\$38,953,692
Share Certificates	\$15,159,062
Money Market Shares	\$12,119,199
IRA Shares	\$3,366,656

Total Shares

\$137,692,344

Equity

Regular Shares	\$1,754,331
Money Market Shares	\$13,171,223

Total Equity

\$14,925,554

Total Liabilities, Shares & Equity

\$154,468,556

CONTACT INFORMATION

LOCATIONS

Explore your way nationwide with over 5,500 Co-Op Shared Branch Locations and 80,000 Surcharge-Free ATMs.



Scan here to search for branches & ATMs in your area!

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