



PEOPLE HELPING PEOPLE

YESTERDAY, TODAY, AND TOMORROW

**AFENA FEDERAL CREDIT UNION
ANNUAL REPORT 2025**

AFENA

FEDERAL CREDIT UNION

2026 MEETING AGENDA

68th ANNUAL MEETING | APRIL 22, 2026

WELCOME

Chairman of the Board, Mark Souers

CALL TO ORDER

ORDER OF BUSINESS

2025 Annual Meeting Minutes - Secretary, Linda Wilk

Roll Call - Secretary, Linda Wilk

Nominating Committee Report - Scott Overman

Chairman's Report - Mark Souers, Chairman

President's Report - Karen Madry, President/CEO

Treasurer's Report - Matt Gutierrez

Supervisory Committee Report - Mindy Mayes

NEW BUSINESS

Awards and Recognition

ADJORN

The credit union umbrella man, a long-standing symbol of protection and trust, traces its origins back to the early days of the credit union movement in the 1920s. Much like the umbrella he carries, the icon represents stability through life's uncertainties—something credit unions have delivered for generations.

By designing this year's annual report to reflect different decades, the evolution of the umbrella man becomes a visual reminder that while styles and times may change, through every era, credit unions have continued to offer enduring value, standing strong as a source of support, guidance, and financial well-being.

MISSION

Afena Federal Credit Union inspires its members to dream big, knowing that we will walk alongside them every step of the way, helping them to develop the perfect financial plan needed to achieve their dreams.

VISION

Our vision is to be the financial institution of choice for the communities we serve, welcoming individuals from all walks of life and socio-economic backgrounds. Guided by the founding principles of the credit union movement—people over profit—we remain steadfast in our mission to help level the playing field for our members, helping them make informed financial decisions and build stronger financial futures.

VALUES

We promise to listen to your whole story and treat you like a person not just a credit score.

We work hard to improve financial well-being for everyone—regardless of credit score or income level.

Our friendly, non-judgmental staff walk alongside our members to help them achieve their financial goals.

We are committed to leveling the playing field and increasing financial equity within marginalized communities.



67th ANNUAL MEETING

Afena Federal Credit Union | April 23, 2025

DIRECTORS PRESENT

Mark Souers, Chairman

Torianna Williams, Vice Chairman

Evan Gilmore, Secretary

Matt Gutierrez, Treasurer

Michael Moffit

DIRECTORS ABSENT

Mindy Mayes

Afena Federal Credit Union's 67th Annual Meeting was held on Wednesday, April 23, 2025 at Ivy Tech College's Conference Center located at 261 Commerce Dr, Marion, IN 46953.

At 6:00 PM, Chairman Souers opened the meeting with an invocation. Afena's Marketing Coordinator, Megan Helton, provided guidance for dinner service.

1. **CALL TO ORDER:** Chairman Souers officially called the meeting to order at 6:52 PM.
2. **ROLL CALL AND DECLARATION OF QUORUM:** Chairman Souers asked Board Secretary Gilmore to proceed with roll call of officers. Board members present were: Mark Souers, Torrianna Williams, Evan Gilmore, Matt Gutierrez, and Michael Moffitt. It was noted that Mindy Mayes was absent. With more than 100 guests present at the meeting, Board Secretary Gilmore declared that a quorum was present.
3. **WELCOME:** Chairman Souers welcomed the members, guests, and employees to the 67th Annual Meeting. He recognized special guests including John McKenzie, President of the Indiana Credit Union League; Chris Beaumont, EVP of the Indiana Credit Union League; Dave Smith of Baxter Capital Management; Linda Wilk, Executive Director of Hands of Hope, and Michael Farrer and Felix Rippey of Graham, Farrer and Wilson, Attorneys at Law.
4. **ORDER OF BUSINESS:** The Chairman entertained a motion to suspend the normal order of business and proceed to the election of officers immediately following the approval of the 2024 Annual Meeting Minutes. Motion made by Frank Gulley, seconded by Stacey Mowery. Motion carried.
5. **ANNUAL MEETING MINUTES:** Secretary Gilmore advised that the minutes of the last Annual Meeting were distributed to all attendees. Chairman Souers requested that the minutes be approved as printed. Motion by Frank Gulley, seconded by Megan Helton. Motion carried.
6. **ELECTION OF OFFICERS:** Scott Overman, of the Nominating Committee, presented the following members for the Board of Directors: Mindy Mayes to retain her seat

ETING MINUTES

for a 3-year term, Linda Wilk to fill a vacated seat for a 3-year term, and Matt Gutierrez to fill a vacated seat with a remaining 1-year term. Chairman Souers recognized there were no other nominations for the open positions. Motion to accept the slate made by Frank Gulley, seconded by Brittany Tiemeier. Motion carried.

7. SPECIAL REPORTS:

- A. Chairman Souers gave his verbal report. A printed copy was included in the annual report.
- B. President Madry gave her verbal report. A printed copy was included in the annual report.
- C. Treasurer Gutierrez gave his verbal report. A printed copy was included in the annual report.
- D. Supervisory Committee Chair Mindy Mayes was not in attendance. Vice Chair Torrianna Williams delivered the report. A printed copy was included in the annual report.

8. UNFINISHED BUSINESS: There was no unfinished business to bring before the membership.

9. NEW BUSINESS: Chairman Souers turned the meeting over to CEO Madry, who introduced the guest speakers:

- A. Linda Wilk, Executive Director of Hands of Hope, shared how her partnership with Afena began and the value it brings to clients.
- B. Chris Beaumont, EVP of the Indiana Credit Union League, spoke about credit union advocacy, the threat to tax-exempt status, and praised Afena's PAC fundraising efforts.
- C. John McKenzie, President of the Indiana Credit Union League, congratulated Afena on its national presence and community impact.

10. STAFF RECOGNITION AND AWARDS: Chairman Souers recognized CEO Karen Madry for 10 years of service and presented her with a certificate and token of appreciation.

11. DOOR PRIZES: Megan Helton conducted the giveaways.

12. OTHER BUSINESS: There was no other business or questions from the floor.

13. ADJOURNMENT: Chairman Souers thanked everyone for attending the 67th Annual Meeting. The meeting was adjourned at 7:46 PM.

CHAIRMAN'S REPORT

First, I want to thank everyone for taking the time to be here. Without you, our members, this credit union would not be what it is today.

As we reflect on 2025, it was a year that brought challenges for many of the families and communities we serve. The rising cost of everyday essentials and financial pressures impacted our members, and those same challenges were felt throughout the credit union.

Through it all, Afena remained steady. One of the things that has always defined this credit union is our commitment to people helping people—yesterday, today, and tomorrow. That commitment does not change when times are difficult. In many ways, it becomes even more important.

Throughout the year, the Board of Directors remained actively engaged in its governance responsibilities. We worked closely with management to ensure the credit union continued to operate in a safe and sound manner while staying focused on its mission. A key area of focus was strengthening the organization for the future. This included the addition of several key executive roles to support operations, enhance oversight, and position Afena for long-term success.

While 2025 was not without its challenges, it was also a year that demonstrated the strength and resilience of this organization. Success is not always measured by growth alone, but by how we respond, how we support our members, and how we stay true to who we are.

I would like to take this opportunity to thank our President and CEO, Karen Madry, for her leadership and dedication. Karen has remained focused on guiding the credit union through a challenging environment while continuing to put the needs of our members first.

I would also like to recognize and thank our staff. This past year required hard work, flexibility, and commitment. You continued to show up each day ready to serve our members, even when circumstances were not easy. Your efforts played a key role in helping the credit union navigate the year and continue to deliver on its mission. You are what truly makes the Afena Difference.

I would also like to thank my fellow Board members for your time, dedication, and commitment to the credit union. It is a privilege to serve alongside each of you as we work together to support Afena and its future.

And finally, to our members—thank you for your continued trust and loyalty. You are the reason we are here, and we are proud to serve you.

As we look ahead, I am confident that Afena will continue to build on its strong foundation, remain committed to its mission, and continue making a positive impact in the communities we serve.

Thank you.

Mark Souers
Chairman, Board of Directors

CREDIT UNION

*Your Money!
Your Future!
Our Protection!*



- ★ **SAFE**
- ★ **SOUND**
- ★ **FOR EVERYONE**



**A BETTER WAY TO SAVE...
A BETTER WAY TO BORROW!**

President's Report

As we reflect on 2025, one word comes to mind: steady. It was a year marked by economic uncertainty and financial pressure for many of the families we serve. The rising cost of everyday essentials, shifts in employment, and overall hesitation in the market caused many households to pause—especially when it came to major financial decisions.

At Afena Federal Credit Union, we felt those same pressures. Loan demand softened, and we experienced increased delinquencies and charge-offs as many of our members navigated financial strain. At the same time, we worked through internal challenges, including staffing changes and leadership gaps that required us to adapt while maintaining continuity in our operations.

Like many institutions serving communities under financial pressure, we also experienced earnings challenges during the year, ultimately resulting in a net loss. This outcome reflects the realities of the environment, not a departure from our discipline. Our focus remained on supporting our members while protecting the long-term stability and strength of your credit union.

These were not insignificant challenges. **But what defined 2025 was not the difficulty of the environment. It was how we responded. We remained grounded in our purpose. We remained disciplined in our approach. And most importantly, we remained committed to you—our members and our communities.** That is the Afena Difference.

A Disciplined Approach in a Challenging Environment

In a year where it would have been easy to chase growth or take on additional risk to maintain momentum, we chose a different path. **We chose stability. We chose safety and soundness. We chose to protect the long-term strength of your credit union.**

We also viewed this period as an opportunity. With a slower pace of lending activity, we were able to step back, evaluate our operations, and thoughtfully plan for the future. Rather than reacting to the environment, we used this time to strengthen our foundation and position Afena for long-term success.



Continuing to Serve with Purpose

Even in a slower lending year, our impact did not diminish—it became more focused. During 2025, Afena originated 1,773 loans totaling \$17.6 million. While this reflects a more cautious lending environment, the composition of those loans tells a powerful story about who we are and who we serve. Afena's field of membership includes Grant, Wabash, Jay, Blackford, and Wells counties—communities that are predominantly rural and often under-served when it comes to access to fair and affordable financial services.

Nearly all of our lending activity remained concentrated within these communities. 98% of our loans—representing \$17.3 million—were made in areas where household incomes fall below or near state averages. Additionally,

96% of our loans were made in rural communities, where access to responsible credit is often limited. We did not tighten our credit standards and turn our backs on our members. We stayed true to who we are.

Supporting Working Families

Our commitment to working families remained at the core of everything we do. Nearly 60% of all loans—totaling \$11 million—were made to individuals and families whose incomes fall below or near median levels. More than \$4.1 million was extended directly to lower-income households. These are not just numbers. They represent families navigating difficult circumstances, making responsible financial decisions, and working toward greater stability.

Expanding Access—Responsibly

One of the clearest ways we live out our mission is through our willingness to serve members who may be overlooked elsewhere. In 2025, 60% of our loans were made to borrowers with credit scores of 660 or below, and nearly 46% were made to individuals with credit scores of 600 or below. At the same time, these loans represent a smaller share of total dollars—demonstrating a balanced and thoughtful approach to risk. **We are not loosening standards. We are applying judgment, experience, and care.**

Meeting Real Needs

Reliable transportation continues to be one of the greatest barriers to financial stability in our communities. In 2025, we originated 410 vehicle loans totaling \$9.3 million—representing more than half of our total loan dollars. **These loans are not about luxury. They are about getting to work, supporting families, and maintaining independence.** We also worked closely with members to consolidate debt and improve cash flow—providing much-needed breathing room during a financially challenging year.

Positioning for the Future

In 2025, we also completed a significant milestone with the remodel of our South branch. This project expanded our lobby and ensured consistency in our brand across all locations, creating a more welcoming and cohesive experience for our members. We would like to thank our members for their patience during construction. We recognize that this process created temporary inconvenience, and we truly appreciate your understanding as we worked to enhance your experience with Afena.

We are also excited about several upcoming enhancements to our card program, including digital wallet capabilities, contactless cards, and additional features designed to provide greater flexibility in managing everyday purchases. This includes the ability to convert certain qualifying purchases into structured repayment options, offering members a more manageable way to pay over time when needed. **These tools are intended to support responsible financial management by giving members greater control and flexibility over their spending. These investments reflect our commitment to not only meeting today's needs, but preparing for tomorrow.**

The Afena Difference in Action

This was not a high-growth year. **It was a purpose-driven year. A year where we remained disciplined. A year where we stayed true to our mission.** We did not chase volume. We did not compromise our standards. We did not lose sight of why we exist. Instead, we focused on what matters most: serving rural communities, supporting working families, expanding access to responsible credit, and protecting the strength of your credit union. That is the Afena Difference.

In closing, on behalf of our Board of Directors, management team, and staff, thank you for your continued trust and support. It is our privilege to serve you—especially in times like these.

Sincerely,
Karen L. Madry, President/CEO

BY THE NUMBERS

\$1.4M

TOTAL DOLLARS RETURNED TO MEMBERS IN THE FORM OF DIVIDENDS

60%

OF LOANS WERE MADE TO BORROWERS WITH CREDIT SCORES OF 660 OR LOWER

96%

OF LOANS WERE MADE TO BORROWERS IN RURAL COMMUNITIES

1,773

LOANS ORIGINATED AT AFENA FCU IN 2025, TOTALING \$17.3 MILLION

98%

OF LOANS WERE MADE TO HOUSEHOLDS WITH INCOMES NEAR OR BELOW THE STATE AVERAGE

TREASURER'S REPORT

2025 was a year that required disciplined financial management and a continued focus on maintaining the long-term strength of Afena Federal Credit Union. Economic pressures—including the high cost of everyday essentials and shifts in member financial behavior—impacted both loan demand and overall financial performance.

While lending activity moderated during the year, the credit union's core earnings remained stable. Net interest income increased by 10.14%, reflecting effective balance sheet management in a changing rate environment. However, overall financial results were significantly impacted by higher provision expense for loan losses, which increased from \$499 thousand to \$899 thousand. This increase was driven by rising delinquencies and charge-offs as members navigated financial challenges.

As a result, the credit union reported a net loss of (\$190 thousand) for the year, compared to net income of \$94 thousand in the prior year. While this represents a decline in earnings, it is consistent with the broader economic environment and the realities facing the communities we serve.

In addition, the credit union returned \$1.37 million to members in the form of dividends, reinforcing our commitment to delivering value even in a challenging financial environment.

Operating expenses increased by 5.74% as the credit union continued to support operations and maintain service levels for members. Other income remained relatively consistent, helping to offset a portion of the increased costs.

From a balance sheet perspective, loan balances

COMPARATIVE FINANCIAL STATEMENT



	December 2024	December 2025
Cash and Investments	\$13,383,041	\$19,611,514
Loans (net of loss reserves)	71,351,724	61,286,069
Other Assets	12,298,018	13,155,285
Total Assets	\$97,032,782	\$94,052,869



Liabilities	\$648,662	\$1,098,250
Member Savings	85,053,706	81,815,321
Equity	11,330,414	11,139,298
Total Liabilities & Equity	\$97,032,782	\$94,052,869



Interest Income	\$4,946,187	\$5,112,827
Dividend Expense	1,549,605	1,367,159
Interest on Borrowings	8,945	14,381
Net Interest Income	3,387,637	3,731,288
Operating Expense	4,660,451	4,928,157
Provision for Possible Loan Losses	499,359	899,881
Other Income	1,866,626	1,906,236
Net Income	\$94,453	(190,514)

declined modestly as members focused on paying down debt and delayed new borrowing. Member deposits also decreased, reflecting increased reliance on savings to manage household expenses. These trends required ongoing attention to liquidity and funding strategies throughout the year.

Despite these challenges, Afena remains well-capitalized and financially stable. The credit union ended the year with a net worth ratio of 11.84%, reflecting continued capital strength despite the challenges experienced during the year.

The financial results for 2025 reflect the credit union's commitment to responsible decision-making—balancing financial performance with the needs of our members. As noted in the President's Report, this was a year where

the organization remained disciplined, stayed true to its mission, and focused on long-term sustainability rather than short-term growth.

As we look ahead, the Board and management will continue to focus on strengthening operations, managing risk, and positioning the credit union for future opportunities.

Thank you for your continued trust and support.

Respectfully submitted,

Matt Gutierrez
Board Treasurer



SUPERVISORY COMMITTEE REPORT

The Supervisory Committee is an audit committee composed of credit union members who are appointed by the Board of Directors. The purpose of the Supervisory Committee is to ensure the financial condition of the credit union is accurately and fairly presented in the organization's financial statements, and that management practices and procedures are in accordance with federal regulations and sufficient to safeguard members' assets and sensitive information.

In support of this responsibility, the Supervisory Committee participates in monthly Board of Directors meetings and engages independent auditing firms to assist in reviewing financial performance, assessing overall financial health, and evaluating internal controls, policies, and procedures.

To assist in our oversight, the Committee engaged FORVIS/Mazars, LLP, an independent public accounting firm with extensive experience in credit union operations, to perform the annual financial statement audit. An opinion audit was completed in 2025 for the year ending 2024. Forvis Mazars proposed no audit adjustments, resulting in a clean, unmodified opinion of Afena Federal Credit Union's financial statements. No material weaknesses or significant deficiencies related to internal controls were identified. The 2025 audit is currently in process.

In addition, FORVIS/Mazars continues to provide internal audit services on an ongoing basis. The National Credit Union Administration (NCUA) also conducts regulatory examinations periodically to assess compliance with applicable laws and regulations. The results of these independent reviews provide assurance that the credit union is operating in a safe and sound manner and in accordance with established policies and regulatory expectations.

The Supervisory Committee remains confident that the financial condition of the credit union is being accurately reported and that appropriate controls are in place to safeguard member assets.

The Committee will continue to work with the Board of Directors and management to ensure strong oversight and governance as the credit union moves forward.

Respectfully submitted,

SUPERVISORY COMMITTEE
Mindy Mayes, Chair



TEAM AFENA

BOARD OF DIRECTORS

Mark Souers
Linda Wilk
Matt Gutierrez
Barry Conrad
Nancy Hammons
Mindy Mayes
Leslie Winters

EXECUTIVE LEADERSHIP

Karen Madry
Vickey Brown
Stacy Lomonaco
Stacey Mowery
Matthew Stolle

DIRECTORS

Betty Hatmaker
Britt Tiemeier



BRANCH MANAGERS

Sheena Burdette
Nikita Tays
Heather Banter (assisstant)

CALL CENTER

Jen Warren

COLLECTIONS DEPARTMENT

Kristin Jones
Kristine Weaver
Amy Russ

FINANCE DEPARTMENT

Lanear Brown
Andrea Mosqueda
Krista Sharp
Lynnette Thompson

IT SUPPORT

Tyler Kukuris

INDIRECT LENDING

Steve Ybarra

LOAN OFFICERS

Tianna McKinney
Lisa Middlerton
Julia Storie

HEAD TELLERS

Ashley Ayers
Jada Row

TELLERS

Alexis Byrd
Diana Foreman
Asharia Hall
Taylor Lines
Jacquelin Kroft
Tiffany Manley
Oma Miller
Samantha Sessoms

PEOPLE
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KYLA'S STORY: FROM LOSING EVERYTHING TO BUILDING A NEW LIFE



In the summer of 2024, Kyla faced the unthinkable: losing the generational home her father had promised would always be hers, along with the sense of security she had worked so hard to build for her family.

From June 30 to late August 2024, she experienced homelessness after being forced out of the home her father had intended for her. At the same time, she was leaving a domestic violence relationship, saying goodbye to the family dog, and doing everything she could just to get through each day. She lived in a trailer that summer, focused not on comfort, but on survival.

The home she lost was more than just a house—it was her childhood, her father's promise, and a place she believed would always belong to her and her son. But when her father passed away unexpectedly before her name could be added to the deed, that promise was left unprotected. Despite paying the taxes, the insurance, and investing \$30,000 of her own money into the home, it was not legally hers. The loss was not only financial—it was deeply personal, and a painful reminder of how quickly life can change without a plan in place.

After her father's passing, her stepmother allowed her to stay in the home for two years, unknowingly allowing the window to file a claim against the estate to close. When Kyla was ultimately forced to leave, she was already in the middle of filing for bankruptcy. The weight of it all—grief, loss, uncertainty—came at once. Still, she kept going.

That summer, Kyla worked two jobs and did everything in her power to create stability for her son, even when her own world felt anything but stable. Filing for bankruptcy was a humbling and emotional decision, but it became a turning point—a way to release the burden of old debt and begin again.

Then, in April 2025, something unexpected happened. A coworker offered to sell her home to Kyla. At first, it felt impossible. She was still rebuilding, still recovering, still unsure of what was ahead. But with a small spark of hope, she decided to try.

When she came into talk to Afena about a home loan, Kyla was met with encouragement instead of doubt. Her history mattered. Even during her hardest moments, she had remained committed to her obligations there, never missing a payment. That consistency, that quiet determination, did not go unnoticed. The team took the time to understand her story and worked to find a path forward. And they did.

On June 30, 2025—exactly one year after losing her childhood home—Kyla closed on a house of her own.

The next morning, she woke up in a space that was finally, fully hers. A place where she could breathe. A place where she could make her own choices, create new memories, and begin again. From heartbreak to homeownership, Kyla's story is a powerful reminder that with perseverance—and Afena by your side—anything is possible.



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MARK'S STORY: FROM ACTIVE ADDICTION TO HOME OWNERSHIP



Mark's story is one of restoration—physical, spiritual, emotional, and financial—and how, with support and perseverance, he was able to rebuild his life and move toward his dream of homeownership.

When Mark returned to the credit union in 2019, he was starting over. He had just been released from jail and was sober for the first time in over a decade. Years of substance abuse had taken a severe toll on his health, and after a near-death experience and a period of incarceration, he made the decision to change his life. While in jail, he got sober, was baptized, and committed to a new path.

Rebuilding was not easy. Mark focused on working, managing his money carefully, and paying down \$17,000 in restitution. By 2023, he had made significant progress, but a change in his company's health insurance created a financial strain. With rent and insurance due at the same time each month, he needed a way to manage his cash flow.

He turned to the credit union for help and was able to open a Goldline line of credit, which allowed him to cover expenses when needed and stay on track financially. As he gained stability, he began focusing on building his credit. With guidance from a loan officer, he opened a credit builder card and steadily improved his score.

STORIES

As his financial footing strengthened, so did his goals. Mark worked to pay down the remainder of his restitution and secured a vehicle loan to support a new job opportunity. During that process, he learned his credit had improved enough to make homeownership a real possibility—something that once felt out of reach.

Soon after, an unexpected opportunity appeared when a coworker inherited a home located near both Mark's mother and his church community—exactly where he had always hoped to live. Encouraged but still cautious, he began the mortgage process and took a leap of faith.

The following day, he received approval.

In just a few years, Mark went from having no credit and significant financial challenges to being in a position to purchase a home. His journey reflects the power of second chances, steady determination, and having the right support along the way.

HARDTIMES
SICKNESS
FINANCIAL
DISTRESS

CREDIT
UNION



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Afena North
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