2018 BOARD OF DIRECTORS

Gary Ruhle, Chairman
Darrell Jensen, Vice Chairman
Harry Williams, Treasurer
Shirley Pellarchy, Secretary
Kenneth Heubusch, Director
Chester Brojek, Director
Nick Sudzina, Director
John Uppercq, Director
Christopher Geiger, Director
Dan Pierce, Director
Donald Williams, Sr., Director

SUPERVISORY COMMITTEE

Kevin Crouse, Chairman
Connie Milito, Member
Terrence McGriff, Member
Kathryn Ashmore, Member
Derrik Hall, Member

2018 BOARD OF DIRECTORS

Kevin Jones, Chief Executive Officer
Steve Moseley, President
Dennis Parshing, Executive Vice President, Consumer Lending
David S. Hand, Executive Vice President, Commercial Lending
Zelda V. Abram, Chief Financial Officer
Christopher David, Chief Operations Officer
Nancy Iron, Chief Human Resources Officer
Jill Davis, Chief Marketing Officer
Richard Haggins, Chief of Risk Management
Michael Cheeseman, Chief Analytics Officer
John King, Chief Information Officer
Sterling Grubbs, Chief of Mortgage Services
Donna Brown, Chief Audit & Compliance

SENIOR MANAGEMENT TEAM

Steve Moseley, President
Dennis Parshing, Executive Vice President, Consumer Lending
David S. Hand, Executive Vice President, Commercial Lending
Zelda V. Abram, Chief Financial Officer
Christopher David, Chief Operations Officer
Nancy Iron, Chief Human Resources Officer
Jill Davis, Chief Marketing Officer
Richard Haggins, Chief of Risk Management
Michael Cheeseman, Chief Analytics Officer
John King, Chief Information Officer
Sterling Grubbs, Chief of Mortgage Services
Donna Brown, Chief Audit & Compliance

863.688.3733  Toll Free 866.913.3733
Insured by NCUA.
LETT{ER FROM THE CEO

To the Owners,

MIDFLORIDA started in 1954 when a handful of teachers pooled their savings to start the Polk County Teachers Credit Union. The reason the credit union was started was simply because banks wouldn’t lend money to working people. One of our founding members explained to me that he joined because he wanted to borrow money to buy a washing machine.

When I joined MIDFLORIDA 26 years ago, the staff and board set a goal to expand the credit union. We believed that credit union services should be available to everyone, not just select groups. We began by offering free checking accounts and low-rate loans to anyone living or working in Polk and Highlands counties. We have continued to expand our charter and now offer credit union services to members of Central Florida.

Today MIDFLORIDA’s 900 associates serve over 300,000 members through 50 Central Florida branches. And our goal is to expand our branch network.

Resources were allocated to develop products like instant-issue credit cards (joining our popular instant-issue debit cards) and new loans that allow users to use their home’s equity to fund large repairs or living expenses.

However, our greatest accomplishment of 2018 was our continued financial strength, which we credit to our membership and the faith they place in us. We saw this in record numbers as our Dealer Direct network loaned over $500 million in car loans and our mortgage department reached over $1 billion in home loans currently serviced for our members. When the deposit environment shifted at year end, members took advantage of our shorter term certificate with an above-market rate, and deposits soared. These efforts and successes led us to achieve record income while maintaining strong capital – financial metrics that enabled MIDFLORIDA to invest in new products, grow our branch network and improve services to members throughout Central Florida.

Thank you to our members. Serving you is both the reason we push forward and the reason for our continued success.

Respectfully Submitted,

D. Kevin Jones
CHAIRMAN’S REPORT

2018 was another very exciting year for MIDFLORIDA as we continued to grow in financial size and strength. This growth enabled us not only to better serve our existing members, but also to further expand our service area to new members in the Tampa Bay and Orlando markets.

All of us at MIDFLORIDA know that you, our members, are the driving force behind our success and pledge to continue to provide financial products and services that will improve your financial well-being.

Sincerely,

Gary I. Ruhle
PRESIDENT’S REPORT

It was another fantastic year for MIDFLORIDA! We expanded our branch network with four new locations. South Tampa, Spring Hill and two in Port St. Lucie – Gulfin and St. Lucie West (the latter opening April 2019). To support this continuous growth, we purchased a new Lakeland-based Operations Center to house the Help Desk call center as well as various lending support staff, which will open late 2019. We also secured two high-traffic and high-visibility properties for future branch sites in the Carns/Field area of Tampa and in the city of Stuart.

It may seem hard to believe, but many of the issues those teachers faced 65 years ago haven’t changed. Our singular goal is still to improve the financial well-being of a person of modest means. MIDFLORIDA’s mission also hasn’t changed. It continues to be our goal to expand the credit union. We believed that credit union services should be available to everyone, not just select groups.

MIDFLORIDA continued to expand throughout Central Florida while maintaining solid financial success. Total assets increased by $231 million, ending the year over $5.2 billion. Total loans increased by $148 million, indicating 11 percent growth, and deposits increased by $256 million. Record net income totaled over $40 million for the credit union, resulting in a 1.28 percent return on average assets. Our net worth increased by more than $40 million during the year, with a strong 10.9 percent net worth ratio.

Sincerely,

Steve Moueixy

CFO REPORT

Zelda V. Abram

MIDFLORIDA continued to expand throughout Central Florida while maintaining solid financial success. Total assets increased by $231 million, ending the year over $5.2 billion. Total loans increased by $148 million, indicating 11 percent growth, and deposits increased by $256 million. Record net income totaled over $40 million for the credit union, resulting in a 1.28 percent return on average assets. Our net worth increased by more than $40 million during the year, with a strong 10.9 percent net worth ratio.
**LETTER FROM THE CEO**

To the Owners,

MIDFLORIDA started in 1954 when a handful of teachers pooled their savings to start the Polk County Teachers Credit Union. The reason the credit union was started was simply because banks wouldn’t lend money to working people. One of our founding members explained to me that he joined because he wanted to borrow money to buy a washing machine.

When I joined MIDFLORIDA 26 years ago, the staff and board set a goal to expand the credit union. We believed that credit union services should be available to everyone, not just select groups. We began by offering free checking accounts and low-rate loans to anyone living or working in Polk and Highlands counties. We have continued to expand our charter and now offer credit union services to most of Central Florida.

Today MIDFLORIDA’s 900 associates serve over 300,000 members through 50 Central Florida branches. And our goal is to keep expanding our branch network. Members want electronic services but they also desire face-to-face access to employees. They want to travel to or move to anywhere in Central Florida and be able to visit a MIDFLORIDA office. Our goal is to make that a reality within the next five years.

It may seem hard to believe, but many of the issues those teachers faced 65 years ago haven’t changed. Getting a free checking account or personal loan at a bank is still almost impossible for a person of modest means. MIDFLORIDA’s mission also hasn’t changed. Our original goal is still to improve the financial well-being of our members, whether that’s a free account, a fair deposit rate or a loan for a washing machine.

Respectfully Submitted,

D. Kevin Jones

**PRESIDENT’S REPORT**

It was another fantastic year for MIDFLORIDA! We expanded our branch network with four new locations: South Tampa, Spring Hill and two in Port St. Lucie – Giffen and St. Lucie West (the latter opening April 2019). To support this continuous growth, we purchased a new Lakeland-based Operations Center to house the Help Desk call center as well as various lending support staff, which will open late 2019. We also secured two high-traffic and high-visibility properties for future branch sites in the Carrollwood area of Tampa and in the city of Stuart.

Resources were allocated to develop products like instant issue credit cards (joining our popular instant issue debit cards) and new loans that allow our members to use their home’s equity to fund large repairs or living expenses.

However, our greatest accomplishment of 2018 was our continued financial strength, which we credit to our membership and the faith they place in us. We saw this in record numbers as our Dealer Direct network loaned over $500 million in car loans and our mortgage department reached over $1 billion in home loans currently serviced for our members. When the deposit environment shifted at year end, members took advantage of our shorter term certificate with an above-market rate, and deposits soared. These efforts and successes led us to achieve record income while maintaining strong capital – financial metrics.

To the Owners,

LETTER FROM THE CEO

December 31, 2018

INTEREST INCOME

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest on loans receivable</td>
<td>$101,274,664</td>
<td>$86,999,366</td>
</tr>
<tr>
<td>Interest on investments</td>
<td>$11,465,211</td>
<td>$8,051,004</td>
</tr>
<tr>
<td>Interest income</td>
<td>$112,699,675</td>
<td>$95,050,370</td>
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</tbody>
</table>

INTEREST EXPENSE

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dividends on members’ share and savings accounts</td>
<td>$15,322,252</td>
<td>$17,105,907</td>
</tr>
<tr>
<td>Interest on borrowed funds</td>
<td>$3,707,522</td>
<td>$4,073,462</td>
</tr>
<tr>
<td>Interest expense</td>
<td>$19,030,174</td>
<td>$14,249,389</td>
</tr>
</tbody>
</table>

NET INTEREST INCOME

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Provision for loan losses</td>
<td>$7,546,113</td>
<td>$11,874,374</td>
</tr>
<tr>
<td>Net interest income after provision for loan losses</td>
<td>$62,124,138</td>
<td>$68,916,727</td>
</tr>
</tbody>
</table>

NON-INTEREST INCOME

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-owners’ interest income</td>
<td>$39,092,284</td>
<td>$30,254,904</td>
</tr>
<tr>
<td>Fees and service charges</td>
<td>$15,322,252</td>
<td>$18,443,850</td>
</tr>
<tr>
<td>Gains on sale of mortgage loans, net</td>
<td>$3,183,835</td>
<td>$4,297,744</td>
</tr>
<tr>
<td>Gain on disposition of assets acquired in liquidation, net</td>
<td>$14,747,821</td>
<td>$6,177,748</td>
</tr>
<tr>
<td>Gains on sale of investments, net</td>
<td>$3,183,835</td>
<td>$4,297,744</td>
</tr>
<tr>
<td>Gain on disposition of assets acquired in liquidation, net</td>
<td>$6,177,748</td>
<td>$3,183,835</td>
</tr>
</tbody>
</table>

NON-INTEREST EXPENSE

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Compensation and employee benefits</td>
<td>$63,863,041</td>
<td>$56,763,172</td>
</tr>
<tr>
<td>Professional and outside services</td>
<td>$7,379,941</td>
<td>$7,379,941</td>
</tr>
<tr>
<td>Education and promotion</td>
<td>$5,446,168</td>
<td>$5,446,168</td>
</tr>
<tr>
<td>Loan servicing</td>
<td>$5,835,855</td>
<td>$5,835,855</td>
</tr>
<tr>
<td>Loss on disposition of premises and equipment, net</td>
<td>$65,318</td>
<td>$929,564</td>
</tr>
<tr>
<td>Loss on disposition of assets acquired in liquidation, net</td>
<td>$65,318</td>
<td>$929,564</td>
</tr>
</tbody>
</table>

LIABILITIES AND MEMBERS’ EQUITY

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Members’ share and savings accounts</td>
<td>$2,788,477,037</td>
<td>$2,532,173,826</td>
</tr>
<tr>
<td>Borrowed funds</td>
<td>$13,702,886</td>
<td>$18,596,216</td>
</tr>
<tr>
<td>Accrued expenses and other liabilities</td>
<td>$35,679,641</td>
<td>$46,415,533</td>
</tr>
<tr>
<td>Total Liabilities</td>
<td>$2,957,891,546</td>
<td>$3,185,383,375</td>
</tr>
</tbody>
</table>

CONSOLIDATED STATEMENTS OF INCOME

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other income</td>
<td>$152,714,128</td>
<td>$112,874,374</td>
</tr>
<tr>
<td>Total income</td>
<td>$3,183,835</td>
<td>$4,297,744</td>
</tr>
</tbody>
</table>

CONSOLIDATED STATEMENTS OF FINANCIAL CONDITION

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Assets</td>
<td>$3,286,122,496</td>
<td>$3,055,514,299</td>
</tr>
</tbody>
</table>

**CHAIRMAN’S REPORT**

2018 was another very exciting year for MIDFLORIDA as we continued to grow in financial size and strength. This growth enabled us not only to better serve our existing members, but also to further expand our service area to new members in the Tampa Bay and Orlando markets. All of us at MIDFLORIDA know that you, our members, are the driving force behind our success and pledge to continue to provide financial products and services that will improve your financial well-being.

Sincerely,

Gary I. Ruhle

Respectfully Submitted,

Steve Moseley

**CFO REPORT**

Zelda V. Abram

MIDFLORIDA continued to expand throughout Central Florida while maintaining solid financial success. Total assets increased by $321 million, ending the year over $5.2 billion. Total loans increased by $148 million, indicating 11 percent growth, and deposits increased by $256 million. Record net income totaled over $50 million for the credit union, resulting in a 1.28 percent return on average assets. Our net worth increased by more than $40 million, ending the year with a strong 10.9 percent net worth ratio.

Respectfully Submitted,

Gary I. Ruhle
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John Uppercu, Director
Christopher Geiger, Director
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Dorina Brown, Chief Audit & Compliance

2018 BOARD OF DIRECTORS

ANNUAL REPORT 2018

Serving Central Florida