



# FIRST PRIORITY

— CREDIT UNION —

88<sup>th</sup> Annual Meeting  
February 19, 2018

## Welcome

Welcome to the 2018 Annual Meeting of Shareholders. Your presence here demonstrates your support of your Credit Union and your willingness to take part in the decision-making process. This is the 88th annual meeting of First Priority Credit Union since our charter on September 2, 1930. Thank you for helping to continue the credit union tradition.

## Schedule of Events

Registration and Meal	6:00 PM
Business Meeting	7:00 PM
\$\$\$\$\$ Cash Drawing	\$\$\$\$\$

## Staff

President	Cathy Higgins
Loan Officer	Lisa Cox
Member Service Representative	Marissa Leal
Assist Member Service Rep	Diana Fish

## Business Meeting

### Agenda

- |                                |                   |
|--------------------------------|-------------------|
| 1. Call to Order               | David Massey      |
| 2. Prayer and Remembrance      | Guest             |
| 3. Minutes of 2017 Meeting     | Tony Leet         |
| 4. Organizational Report       | Tony Leet         |
| 5. Nominating Committee Report | David Massey      |
| 6. Election of Directors       | David Massey      |
| 7. Credit Committee Report     | Carolyn Davis     |
| 8. Audit Committee Report      | Steven Williamson |
| 9. Financial Report            | Cathy Higgins     |
| 10. Old & New Business         | David Massey      |
| 11. Cash Drawing               |                   |
| 12. Adjournment                |                   |

## Organizational Report

Since the last annual meeting, there have been no changes to management, bylaws, or field of membership. Several new services have being added. Details will be presented by management.

Since the last annual meeting, David Massey was elected to serve as Chairman of the Board, Steven Williamson as Vice-Chairman, and Tony Leet as Secretary/Treasurer. New officers will be elected at the next regular board meeting in March, 2018.

Since the last annual meeting, Brian Scott resigned from office prior to the expiration of his term and Jeffrey Barnett was appointed to fill the vacant position until this annual meeting.

Current directors and date of expiration for their terms of office.

	<b>February, 2018</b>	
Paula Kinsey	Jeffrey Barnett	Jon Holdren
	<b>February, 2019</b>	
Jo McWhorter	Carolyn Davis	Tony Leet
	<b>February, 2020</b>	
David Massey	Steven Williamson	Philip Forrest

Since the last annual meeting, the following committees were appointed. New committees will be appointed at the next regular board meeting in March, 2018.

### Credit Committee

Carolyn Davis(Chairman) Jo McWhorter Jon Holdren

### Audit Committee

Steven Williamson(Chairman) Philip Forrest Bryan Scott

### Nominating Committee

Burl Cox(Chairman) David Massey Tony Leet

## Credit Committee Report

The Credit Committee met weekly as necessary to perform the duties required by policy.

559 loans were granted and a total of \$3,062,871 in new money was advanced during 2017.

The loan portfolio as of December 31, 2017 totaled \$6,182,244.

The delinquency ratio as of December 31, 2017 was 1.17%.

Loans charged off net of recoveries totaled \$19,777.

The balance of the allowance for loan losses account was fully funded at year-end in the amount of \$39,013.

## Audit Committee Report

The Audit Committee engaged the CPA firm, Green and Fillingim, PC to perform audit procedures as required by NCUA and state regulations as of September 30, 2017. No material findings were made during the audit. The accounting records were reported to be in excellent condition. The report is available for review at the credit union.

The Audit Committee performed a Bank Secrecy Audit, an OFAC audit, an ACH Audit and a Safe Act audit. The committee also performed a 100% negative verification of accounts as of December 31, 2017. No material findings were noted.

## Statement of Financial Condition

as of December 31, 2017

<b>Assets</b>	
Loans to Members	\$6,182,244
Allowance for Loan Losses	(39,013)
Cash and Cash on Deposit	1,548,611
Investments	6,962,000
Land and Building-Net of Depreciation	238,389
Other Fixed Assets -Net of Depr..	69,324
NCUA Deposit	129,105
Other Assets	63,662
<b>Total Assets</b>	<b>\$15,154,322</b>

<b>Liabilities and Equity</b>	
Notes Payable	0
Dividends Payable	0
Accounts Payable and Other Liabilities	37,267
<i>Total Liabilities</i>	<b>37,267</b>
Shares	\$13,860,050
Reserves	364,110
Undivided Earnings	892,895
<i>Total Equity</i>	<b>\$15,117,055</b>
<b>Total Liabilities and Equity</b>	<b>\$15,154,322</b>

## Statement of Income

Year-ended December 31, 2017

### Income

Interest on Loans	\$273,674
Interest on Investments	104,652
Fee Income	57,872
Other Operating Income	106,392
Non-operating Income	0
<b>Total Income</b>	<b>\$542,590</b>

### Expenses

Employee Compensation & Benefits	\$183,180
Travel and Conference	1,000
Provision for Loan Losses	13,381
Visa Debit/Credit Fraud Losses	8,208
Office Occupancy	26,794
Office Operations	109,444
Associational Dues	6,304
Education and Promotional	7,268
Loan Servicing	88,974
Professional and Outside Services	8,732
NCUA Insurance Expense	0
State Operating Fees	4,652
Miscellaneous Operating Expenses	5,429
Interest on Borrowed Money	0
Dividends to Members	33,736
<b>Total Expenses</b>	<b>\$497,102</b>
<b>Net Income</b>	<b>\$45,488</b>

### Ratios

Net Worth/Total Assets (well-capitalized)	8.29%
Delinquent Loans/Total Loans	1.17%
Normal Operating Expenses/Ave Assets	3.06%
Return on Ave Assets	.31%

*Thank you  
for attending!*