

# FIRST PRIORITY CREDIT UNION

Annual Meeting Reports  
as of December 31, 2020

## Organizational Report - continued

- Current directors and the date of expiration for their terms of office:

### February 2021

Paula Kinsey      The Late Richard Atha      Jon Holdren

### February 2022

Jo McWhorter      Carolyn Davis      Tony Leet

### February 2023

David Massey      Steven Williamson      Philip Forrest

## Organizational Report - continued

- Since the last annual meeting, the following committees were appointed. New committees will be appointed at the next regular board meeting scheduled for February 24, 2021.

### **Credit Committee**

Carolyn Davis(Chairman) Jo McWhorter Jon Holdren

### **Audit Committee**

Steven Williamson(Chairman) Philip Forrest David Massey  
Tony Leet

### **Nominating Committee**

Burl Cox (Chairman) Philip Forrest Tony Leet

## Nominating Committee Report

Nominations from the committee for the three expiring positions:

- Position 4: Paula Kinsey (Incumbent)
- Position 5: Helen Kimzey
- Position 6: Jon Holdren (Incumbent)

## Credit Committee Report

Statistics from the Credit Committee:

- 509 loans were granted and a total of \$3,581,406 in new money was advanced during 2020.
- The loan portfolio as of December 31, 2020 totaled \$8,025,064.
- The delinquency ratio as of December 31, 2020 was .28%.
- Loans charged off net of recoveries totaled \$2,511.
- The allowance for loan losses was fully funded at year-end with a balance of \$39,452.

## Audit Committee Report

Audit Committee took the following actions:

- Engaged Green Fillingim Neito, LLC CPAs to perform required audit procedures.
- Performed a Bank Secrecy Audit.
- Performed an OFAC Audit.
- Performed an ACH Audit.
- Performed a Safe Act Audit.

## Audit Committee Report - continued

- Performed random cash counts.
- Performed random reviews of employee and official's personal accounts.

## Financial Report

### Balance Sheet

#### *Assets*

Loans to Members	\$ 8,025,064
Allowance for Loan Losses	(39,452)
Cash and Cash on Deposit	2,462,869
Investments	7,725,266
Land and Building - Net of Depreciation	232,062
Other Fixed Assets – Net of Depreciation	56,556
NCUA Deposit	145,587
Other Assets	<u>52,413</u>
<b><i>Total Assets</i></b>	<b><u>\$18,660,365</u></b>



## Financial Report - continued

### Balance Sheet

#### *Liabilities and Equity*

Notes Payable	\$	0
Dividends Payable		0
Accounts Payable		67,872
<i>Total Liabilities</i>	\$	<u>67,982</u>
Shares		\$17,020,616
Reserves		364,110
Undivided Earnings		1,207,767
<i>Total Equity</i>		<u>\$18,592,493</u>
<i>Total Liabilities and Equity</i>		<b>\$18,660,365</b>

## Financial Report - continued

### Income Statement

#### *Income*

Interest on Loans	\$ 347,757
Interest on Investments	145,879
Fee Income	41,599
Other Operating Income	156,582
Gain on Disposition of Assets	<u>0</u>
<b><i>Total Income</i></b>	<b>\$ 691,817</b>

## Financial Report - continued

### *Expenses*

Employee Compensation & Benefits	\$	208,428
Travel and Conference	-	1,800
Provision for Loan Losses		8,355
Office Occupancy		35,588
Office Operations		113,677
Associational Dues		6,508
Education and Promotional		8,591
Loan Servicing		114,434
Professional and Outside Services		7,850
State Operating Fees		5,064
Miscellaneous Operating Expenses		2,326
Dividends to Members		31,069
<i>Total Expenses</i>	\$	<u>540,090</u>
 <i>Net Income</i>	\$	<b>151,727</b>

## Financial Report - continued

### *Key Ratios*

Net Worth/Total Assets (well-capitalized)	8.42%
Delinquent Loans/Total Loans	.28%
Normal Operating Expenses/Ave Assets	2.87%
Return on Average Assets	.87%