



FIRST PRIORITY
— CREDIT UNION —

92nd Annual Meeting
February 21, 2022

Welcome

Welcome to the 2022 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 92nd 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	6:45 PM
\$\$\$\$\$ Cash Drawing	\$\$\$\$\$

Staff

President	Cathy Higgins
Loan Officer	Lisa Cox
Member Service Representative	Jennifer Burrola

Business Meeting

Agenda

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| 1. Call to Order | David Massey |
| 2. Prayer and Remembrance | Jo McWhorter |
| 3. Minutes of 2021 Meeting | Tony Leet |
| 4. Organizational Report | Jon Holdren |
| 5. Nominating Committee Report | Burl Cox |
| 6. Election of Directors | David Massey |
| 7. Credit Committee Report | Carolyn Davis |
| 8. Audit Committee Report | Steven Williamson |
| 9. Financial Report | Helen Kimzey |
| 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, or bylaws. No new services have been added.

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.

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

	February, 2022	
Jo McWhorter	Carolyn Davis	Tony Leet
	February, 2023	
David Massey	Steven Williamson	Philip Forrest
	February, 2024	
Paula Kinsey	Helen Kimzey	Jon Holdren

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

Credit Committee

Carolyn Davis(Chairman)	Jo McWhorter
Jon Holdren	Helen Kimzey

Audit Committee

Steven Williamson(Chairman)	Philip Forrest	David Massey
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Nominating Committee

Burl Cox(Chairman)	Paula Kinsey	Helen Kimzey
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Credit Committee Report

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

659 loans were granted and a total of \$4,831,477 in new money was advanced during 2021.

The loan portfolio as of December 31, 2021 totaled \$8,934,768.

The delinquency ratio as of December 31, 2021 was 0.39%.

Loans charged off net of recoveries totaled \$13,105.

The balance of the allowance for loan losses account was fully funded at year-end in the amount of \$46,930.

Audit Committee Report

The Audit Committee engaged R.A.M. CPA, PLLC from San Angelo, Texas to perform audit procedures as required by NCUA and state regulations as of September 30, 2021. The audit revealed no significant findings and is available for review at the credit union.

During 2021, the Audit Committee performed a Bank Secrecy Audit, an OFAC audit, an ACH Audit and a Safe Act audit. The committee also performed random cash counts, a review of employee and official's personal accounts, and reviews of the credit union credit card. No material findings were noted during any of the audits or reviews performed.

Statement of Financial Condition

as of December 31, 2021

Assets

Loans to Members	\$8,934,768
Allowance for Loan Losses	(46,930)
Cash and Cash on Deposit	2,784,901
Investments	8,469,265
Land and Building-Net of Depreciation	217,856
Other Fixed Assets -Net of Depr..	59,118
NCUA Deposit	167,812
Other Assets	59,376
Total Assets	\$20,646,166

Liabilities and Equity

Notes Payable	0
Dividends Payable	0
Accounts Payable and Other Liabilities	44,801
<i>Total Liabilities</i>	44,801
Shares	\$18,932,872
Reserves	364,110
Undivided Earnings	1,304,383
<i>Total Equity</i>	\$20,601,365
Total Liabilities and Equity	\$20,646,166

Statement of Income

Year-ended December 31, 2021

Income

Interest on Loans	\$332,333
Interest on Investments	80,797
Fee Income	42,874
Other Operating Income	199,619
Gain on Disposition of Assets	0
Total Income	\$655,623

Expenses

Employee Compensation & Benefits	\$204,824
Travel and Conference	0
Provision for Loan Losses	20,558
Office Occupancy	37,183
Office Operations	116,730
Associational Dues	7,093
Education and Promotional	10,355
Loan Servicing	123,247
Professional and Outside Services	10,316
NCUA Insurance Expense	0
State Operating Fees	4,455
Miscellaneous Operating Expenses	8,698
Interest on Borrowed Money	0
Dividends to Members	15,534
Loss on Disposition of Assets	15
Total Expenses	\$559,008
Net Income	\$96,615

Ratios

Net Worth/Total Assets (well-capitalized)	8.08%
Delinquent Loans/Total Loans	0.39%
Normal Operating Expenses/Ave Assets	2.66%
Return on Ave Assets	.49%