



# 2022 Annual Report

## Message to Our Members

We are grateful to our Members for entrusting some of their financial life to First Choice Credit Union (FCCU). We strive to earn that trust every day and to provide financial value in your FCCU relationship. We believe the best value we can provide Members is directly in the pocketbook through the lowest loan rates and best deposit rates we can provide.

In order to provide great rates for the Membership, we must keep the operating expenses for FCCU at a low level. Operating expenses reduce what can be shared with the Membership. Operating expense could be viewed as tax. While operating expenses are necessary, they should be minimized to the greatest extent possible to pass along the most value to Members. To get the most out of our cooperative, Members are encouraged to use the tools provided to self-serve when possible and use the least expensive options for service. Some examples of how individual Members can contribute to strengthening the cooperative are as follows:

- Plan your cash needs and use free ATMs when possible
- Use Mobile Deposit for checks whenever possible
- Use electronic statements versus mailed statements
- Apply for loans and new deposit accounts online
- Use chat, text, email, and website for information

From an organizational perspective, FCCU is attempting to utilize its limited resources for maximum benefit to the cooperative. We have one branch location that is accessible to the public. To better utilize our branch, we have redesigned our lobby to focus on lending services and building deposits. At the same time, we are keeping up with ever increasing new technologies that align with Member needs and expectations. The following are technologies that have been added over recent years:

- Online and mobile banking
- Online loan application and deposit account opening
- Mobile deposit
- External transfers
- Electronic statements
- Debit card controls
- Debit and Credit Card available in phone Wallets
- Online appointment setting
- Chat and Texting

We have invested in technology that enables FCCU to build the FCCU cooperative even when a Member or prospective new Member can't physically come into the branch. With Member texting, we have been able to personalize service even when the service is remote. We will be rolling out video banking later in 2023 to offer an even more personal way to deliver more complicated services.

Thank you for continuing to share the benefits of membership at FCCU with your friends and family. In addition to you, our valued member-owners, we graciously acknowledge and thank our Board of Directors, Supervisory Committee and Staff for their tremendous contribution to our cooperative. We wish everyone a happy, healthy, and prosperous 2023!

**Robert Delancy**  
Chairman

**Michael J. Welte**  
President/CEO

*Federally insured  
by NCUA*

### Statement of Financial Condition at December 31, 2021 and 2020: Unaudited

<b>ASSETS</b>	<b>2022</b>	<b>2021</b>
Loans .....	\$66,484,145	\$53,460,132
Investments .....	\$76,906,678	\$94,060,869
Other Assets .....	\$4,981,996	\$4,633,374
<b>TOTAL ASSETS</b> .....	<b><u>\$148,372,819</u></b>	<b><u>\$152,154,375</u></b>

### LIABILITIES & EQUITY

Payables .....	-\$868,114	-\$109,894
Member Deposits .....	\$134,906,618	\$139,201,534
Reserves & Undivided Earnings .....	\$14,334,315	\$13,062,735
<b>TOTAL LIABILITIES &amp; EQUITY</b> .....	<b><u>\$148,372,819</u></b>	<b><u>\$152,154,375</u></b>

### Statement of Income For the twelve months ended December 31, 2022 and 2021: Unaudited

	<b>2022</b>	<b>2021</b>
Interest on Loans .....	\$2,067,506	\$1,815,706
Interest on Investments .....	\$1,204,652	\$902,335
Other Income .....	\$1,513,268	\$1,312,265
<b>TOTAL INCOME</b> .....	<b><u>\$4,785,426</u></b>	<b><u>\$4,030,306</u></b>
Non-operating Gain (loss) .....	596,142	16,151
Operating Expenses .....	(\$3,740,074)	(\$3,447,444)
Dividends and Interest .....	(\$228,780)	(\$228,780)
<b>NET INCOME</b> .....	<b><u>\$1,412,713</u></b>	<b><u>\$370,233</u></b>

### VITAL STATISTICS For the twelve months ended December 31, 2022 and 2021:

	<b>2022</b>	<b>2021</b>
Members .....	9,366	9,661
Capital Ratio .....	9.66%	8.59%
Delinquency Ratio .....	0.63%	0.63%

## Report of the Supervisory Committee

The Supervisory Committee provides the oversight function for First Choice Credit Union (FCCU). This is accomplished through the direct performance of audit procedures and the review of other outside exams, audits, and reviews. In addition, the Committee fulfills the oversight function by engaging independent Certified Public Accountants (CPAs) to perform an annual certified audit. In this effort, the Committee caused our annual external audit to be performed by Ewart & Associates, LLC and CPA for the period ending June 30, 2022. This audit resulted in a "clean opinion" that our financial statements fairly represent in all material respects, the financial position of the Credit Union.



**Patricia Gringeri**, Chairman, Supervisory Committee

## Report of the Nominating Committee

There were no prospective Board candidates identified through the nominating process.

At this point, the Board has the maximum number of Nine (9) Directors as indicated in the By-Laws.

The incumbents up for reelection: Anthony Marascuillo, Scott Johnson and Robert Delancy and each has indicated their interest in serving another term.



Rhonda Diffenbach, Chairman, Nominating Committee  
Lyn Clark  
Lynne McInerney

## Report of the Credit Manager

First Choice Credit Union (FCCU) disbursed approximately \$17 million in loans to Members in 2022. This represents an increase of 11% over the previous year. The largest category of loan was Car Loans which accounted for 47% of the loans. Mortgage and Home Equity Loans accounted for 45%. MasterCard, unsecured and other types of loans made up 8% of total loans. As always, FCCU is committed to providing convenient low cost loans to Members.



**Michael J. Welte**, Credit Manager

## Minutes of the 92nd Annual Meeting

The 92nd Annual Meeting of the First Choice Credit Union was held March 29th 2022 at the Main Office of First Choice Credit Union located at 1055 S. Congress Ave. The meeting began at 6:00 p.m. and was presided over by Chairman Robert Delancy. Board members, Rhonda Diffenbach, Scott Johnson, Thomas McGovern, Isaac Broad, Luis Rodrigues were in attendance. It was determined that there was a quorum present.

CEO Welte asked members to review the minutes for the 91st annual meeting. There were no corrections. Lyn Clark, a member, moved to approve the minutes and Dorothy Lilly, a member seconded this motion.

The Nominating Committee submitted the following names for positions available; Rhonda Diffenbach and Thomas McGovern. With no balloting, Chairman Delancy declared the nominees elected.

CEO Welte referred members to the annual report to read the Chairman and President's Message to the Membership. CEO requested members read the Credit Managers and Supervisory Committee reports. There were no questions or comments.

CEO Welte also thanked the Board, Supervisory Committee members and staff for their dedication and hard work through the pandemic. It was acknowledged that we never had to close operations for even one day during that challenging time.

There was neither unfinished business nor any new business. Door prizes were awarded.

There being no further business to conduct, Mona Medina, a member, moved to adjourn the meeting and Sylvia Quezada, a member, seconded the motion and Chairman Delancy adjourned the 92nd Annual Meeting.



**Scott Johnson**, Secretary



**Robert Delancy**, Chairman