



2023 Annual Report

Message to Our Members

March 26, 2024

Thank you for your membership now and in the past. We are grateful that our members entrust First Choice Credit Union (FCCU) to play a role in their financial lives. We take that trust very seriously and strive to earn it every day by offering value that lands in your pocket. Our partnership with our members resulted in FCCU being ranked 12th out of 119 Florida credit unions, and the 1st in Palm Beach County, in a recent Newsweek research report.

We continued to make significant progress in 2023 strengthening the cooperative. We completed the remodel of the lobby to expand the use of our space, improve comfort, and improve the member experience. We modernized our website and made it easy for members to find information and initiate service. In addition, we implemented Video Banking to offer a personal experience in this rapidly changing remote world. FCCU has been a leader among local credit unions in Texting Communications and Video Banking as ways to increase personalization while increasing convenience and remote capabilities for members.

In 2023, FCCU invented a new product to address rising interest rates specifically for Home Equity Line of Credit (HELOC) loan, a traditionally adjustable rate product. The rates have climbed dramatically and in turn member payment requirements. FCCU introduced the HELOC Fixed to take the uncertainty out rising interest rates. The HELOC Fixed has proved to be a very popular choice for members.

We have several new initiatives underway for 2024. First, as always we are committed to keep our loan rates low, deposit rates high, and fees low compared to our competitors. We recently lowered overdraft fees to ensure the fee is in line with the cost of these occasional common mishaps. Later in 2024, we will be rolling out the popular Zelle service to offer members another convenient option for person to person payment.

Over the last several years, 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. A growing cooperative benefits all members so don't hesitate to share the benefits with friends, family, and co-workers.

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 2024!

Robert Delancy
Chairman

Michael J. Welte
President/CEO

*Federally Insured
by NCUA*

Statement of Financial Condition at December 31, 2023 and 2022: Unaudited

<u>ASSETS</u>	<u>2023</u>	<u>2022</u>
Loans	\$67,654,906	\$66,484,145
Investments	\$75,620,346	\$83,658,480
Unrealized Loss on Investments	(\$6,664,239)	(\$6,751,802)
Other Assets	\$4,557,433	\$5,043,748
TOTAL ASSETS	\$141,168,446	\$148,434,571

LIABILITIES & EQUITY

Payables	\$691,538	\$773,688
Deposits and Funding	\$131,999,562	\$134,906,618
Borrowings	\$0	\$5,110,000
Undivided Earnings	\$15,141,585	\$14,396,067
Unrealized Loss on Investments	(\$6,664,239)	(\$6,751,802)
TOTAL LIABILITIES & EQUITIES	\$141,168,446	\$148,434,571

Statement of Income For the twelve months ended December 31, 2023 and 2022: Unaudited

	<u>2023</u>	<u>2022</u>
Interest on Loans	\$2,965,223	\$2,067,508
Interest on Investments	\$2,107,705	\$1,204,665
Other Income	\$1,103,723	\$1,749,585
TOTAL INCOME	\$6,176,651	\$5,021,758

Operating Expenses	\$3,898,459	\$3,740,071
Dividends and Interest	\$997,520	\$369,906
Provision for Loan Losses	\$113,393	(\$360,000)
TOTAL EXPENSES	\$5,009,372	\$3,749,977

NET INCOME	\$1,167,279	\$1,271,781
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VITAL STATISTICS For the twelve months ended December 31, 2023 and 2022:

	<u>2023</u>	<u>2022</u>
Members	9,096	9,366

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, 2023. This audit resulted in a "clean opinion" that our financial statements fairly represent in all material respects, the financial position of the Credit Union.



Patti Gringeri, Chairman, Supervisory Committee

Report of Nominating Committee

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

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

The incumbents up for reelection are Luis Rodriguez, Taryn Guariglia, and Rae Franks. All of these Board Members have indicated their interests in serving another term.



Rhonda Diffenbach
Lyn Clark
Lynne McInerney

Report of the Credit Manager

First Choice Credit Union (FCCU) disbursed approximately \$15 million in loans to Members in 2023. The largest category of loan was Car Loans which accounted for 56% of the loans. Mortgage and Home Equity Loans accounted for 38%. MasterCard, unsecured and other types of loans made up 6% of total loans. As always, FCCU is committed to providing convenient low cost loans to Members.



Michael J. Welte, Credit Manager

Minutes of the 93rd Annual Meeting

The 93rd Annual Meeting of the First Choice Credit Union was held March 22, 2023 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, Isaac Broad, Luis Rodrigues, Taryn Guariglia, and Rae Frank were in attendance. It was determined that there was a quorum present.

Chairman Delancy asked members to review the minutes for the 92nd 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; Anthony Marasciullo, Scott Johnson, and Robert Delancy. With no balloting, Chairman Delancy declared the nominees duly elected.

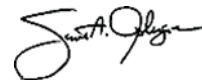
President/CEO Welte referred members to the annual report to read the Chairman and President's Message to the Membership. President/CEO requested members read the Credit Managers and Supervisory Committee reports. There were members questions related to the safety of deposits and Friday operating hours.

President 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 Karen Lester, a member, seconded the motion and Chairman Delancy adjourned the 93rd Annual Meeting.



Scott Johnson, Secretary



Robert Delancy, Chairman