

## AUDIT COMMITTEE REPORT

Based on an in-depth independent audit of the operations of First Community Credit Union by the CPA firm of Doeren Mayhew, CPAs and Advisors concluded that, in their opinion, the financial position of FCCU, the operations and cash flow for the year ending December 31, 2024, conforms with generally accepted accounting principles and practices.

## STATEMENT OF FINANCIAL CONDITION

### ASSETS

	<u>2024</u>	<u>2023</u>
Cash	\$104,689,679	\$60,584,364
Interest Bearing Deposits		250,000
<u>Investments</u>		
Available for Sale	331,927,332	349,844,621
Other Investments	14,249,415	14,424,332
Loans to Members, net	1,945,867,670	1,940,245,088
Accrued Interest Receivable	8,056,609	7,621,704
Prepaid and Other Assets	29,412,966	23,551,896
Federal Home Loan Bank of Dallas Stock	16,985,700	15,979,100
Property and Equipment	85,786,866	78,288,532
NCUSIF Deposit	17,955,301	17,195,144
<b>TOTAL ASSETS</b>	<b>\$2,554,931,538</b>	<b>\$2,507,984,781</b>

### LIABILITIES & MEMBERS' EQUITY

#### Liabilities

Members' Share Accounts	\$1,989,588,305	\$1,926,801,757
Borrowed Funds	359,000,000	370,750,000
Accrued Expenses and Other Liabilities	24,910,416	45,154,755
<b>Total Liabilities</b>	<b>\$2,373,498,721</b>	<b>\$2,342,706,512</b>

#### Members' Equity

Undivided Earnings	214,425,811	203,191,919
Accumulated Other Comprehensive Gain/Loss	(32,992,994)	(37,913,650)
<b>Total Members' Equity</b>	<b>181,432,817</b>	<b>165,278,269</b>
<b>TOTAL LIABILITIES &amp; MEMBERS' EQUITY</b>	<b>\$2,554,931,538</b>	<b>\$2,507,984,781</b>

## COMPARATIVE OPERATING STATEMENT

	<u>2024</u>	<u>2023</u>
<u>Interest Income</u>		
Interest on Loans to Members	\$103,645,683	\$88,110,321
Investment Securities (Interest on Investments & Cash)	14,067,451	12,527,258
Overnight Borrowings (Interest on Investments & Cash Equivalents)	11,291,124	5,946,012
<b>Total Interest Income</b>	<b>129,004,258</b>	<b>106,583,591</b>
<u>Interest Expense</u>		
Members' Share & Savings Accounts	38,780,365	28,677,628
Borrowed Funds	25,615,811	21,811,209
<b>Total Interest Expense</b>	<b>64,396,176</b>	<b>50,488,837</b>
<b>Net Interest Income</b>	<b>64,608,082</b>	<b>56,094,754</b>
<b>Provision for Loan Losses</b>	<b>11,042,398</b>	<b>7,982,417</b>
<b>Net Interest Income After Provisions for Loan Losses</b>	<b>53,565,684</b>	<b>48,112,337</b>
<u>Non-Interest Income</u>		
Fees & Service Charges	14,214,608	13,923,323
Interchange Income	12,787,198	12,685,398
Gain on Equity Securities	2,272,591	2,599,693
Other Non-Interest Income	9,095,160	7,769,807
<b>Total Non-Interest Income</b>	<b>38,369,557</b>	<b>36,978,221</b>
<u>Non-Interest Expense</u>		
Compensation & Benefits	35,009,120	33,150,894
Office Operating Costs	33,101,802	28,502,991
Office Occupancy	6,071,651	5,457,684
Other	6,518,776	6,130,773
<b>Total Non-Interest Expense</b>	<b>80,701,349</b>	<b>73,242,342</b>
<b>NET INCOME</b>	<b>\$11,233,892</b>	<b>\$11,848,216</b>