

AGILITY

The ability to adapt
in response to change

2020 Annual Report




First Florida
CREDIT UNION
Enriching People Every Day.®

Chairman's and President/CEO's Report

The COVID-19 pandemic changed the landscape of consumerism and business overnight. As a leader in the financial industry, our members look to First Florida to be strong and responsive in the face of disruption. With our members' trust and employees' support, First Florida embraced the challenges and molded them into growth opportunities.

Throughout 2020, First Florida observed dramatically different spending habits from the membership. Everyday spending took a back seat to members making investments in their at-home experience. With loan rates at an all-time low, members purchased and refinanced their homes, accessed funds through HELOC, and made other improvements with the help of our new Home Improvement Loan.

Despite the economic uncertainty in 2020, assets grew by \$177 million to a total of \$1.23 billion. We ended the year with a net worth ratio of 12.60%, well above the 7%, which NCUA considers to be a well-capitalized credit union. The net worth ratio is a measure of the capital strength of a credit union (retained earnings divided by total assets). A strong capital position is what allows a credit union to continue to invest in projects that provide value to its membership.

First Florida adapted and evolved operations in response to COVID-19, and by keeping members' needs first, the membership and First Florida grew stronger together. We successfully helped members shift from traditional banking methods to digital services such as e-Statements, Online Banking, Mobile Banking, and e-Deposits, while maintaining a personalized touch.

Our team prepared video tutorials for members unfamiliar with digital services to help them establish and navigate their accounts online. We found that by providing educational resources, members felt more secure and even excited about change.

First Florida opened its seventh location in Jacksonville in 2020. Even in the uptick of digital, the convenience of a branch nearby has proven invaluable to the membership. The new full-service branch located at 3280 Tamaya Boulevard is complete with convenient drive-thrus, in-lobby services, and a coin counter machine.

We also completed a renovation of our Southwood branch in Tallahassee. The remodel provides an updated, comfortable, and warm atmosphere for members, as well as employees.

First Florida has optimized branch operations through an Appointment Concierge service. Members now have the opportunity to make an appointment online or through our Mobile Banking App to meet with a branch representative in person or by phone. Appointments allow members to interact with branches more efficiently by avoiding long wait times and matching their needs with the most qualified, available representative to complete their transactions. Automated email reminders reduce no-shows and improve lobby efficiency by providing members the opportunity to cancel or reschedule their appointment.

First Florida's community events took on a new form in 2020. Our team converted our in-person financial education events to convenient online ZOOM webinars. The new digital delivery method allowed our team to expand educational events to a broader audience, with many events showing over 200 registrants.

The COVID-19 pandemic caused an immediate need for help in our communities and presented First Florida with an opportunity to give across the state through grassroots initiatives. Nearly 200 First Florida employees throughout our communities received a \$25 gift certificate to give to someone in need, support a local business, or support a non-profit in their community as a part of our #LocalStrong campaign. The Southeastern Credit Union Foundation joined the #LocalStrong initiative by matching First Florida's contribution. We were able to distribute another \$4,875 to regional organizations assisting people in immediate need.

Our employees and members also went above and beyond in donating items to help local families. Through collective efforts, First Florida was able to raise money and gather supplies for several charitable organizations.

First Florida was recognized by DepositAccounts.com, a subsidiary of LendingTree, as one of the Top 200 Healthiest Credit Unions in America for 2020. The designation placed our organization in the top two percent of financial institutions nationwide.

We were also recognized by *Florida Trend* magazine for the seventh year as one of the Best Companies to Work for in Florida. Our organization ranked eighth place in the state among mid-sized companies. We recognize our employees are our number one resource, and providing a thriving work environment drives them to go above and beyond for our members.

We are grateful to celebrate our 70th year serving Florida communities. Since its inception in 1950, First Florida has strived to provide products, services, and support to help our members thrive, even in the face of uncertainty.

On behalf of the Board of Directors, Senior Management Team, and nearly 200 employees, please accept our sincere appreciation for your membership and the trust you place in us.

Respectfully Submitted,



Jonathan R. Lyon, Chairman

Respectfully Submitted,



Brent E. Lister, President/CEO

Treasurer's Report

First Florida is a financial cooperative that exists for our members' financial well-being. With the right tools and resources, we believe anyone can be financially successful.

We provide value to our members as a financially strong credit union that can demonstrate a financial return on members' investments. During 2020, First Florida experienced growth and financial progress in key areas. We maintained a strong net worth position (12.60%) essential to the financial soundness of the credit union.

In 2020, members continued to utilize us for their borrowing needs. We disbursed \$263 million in loans, resulting in an outstanding gross loan portfolio of \$669.69 million. Net income for the year was \$4.98 million. Approximately \$7.30 million was distributed to members in the form of interest/dividends on savings, money markets, and certificate accounts.

We look forward to finding more ways we can bring value to the membership and thrive together.

Respectfully Submitted — *Richard M. Hood, Treasurer*

Credit Manager's Report

Despite a global pandemic, First Florida had a record-setting year in loans originated to members disbursing over \$260 million, resulting in over \$31 million in net member loan growth. Record low-interest rates enticed members to refinance their existing mortgages representing a large portion of our member loan growth. Our total loan portfolio declined slightly in 2020 partly due to a pause in purchasing non-member loans for most of the year during the pandemic. We ended 2020 with \$666.4 million in total loans outstanding.

In response to the pandemic related economic pressure on members, we were able to assist with existing loans in multiple ways:

- Increased credit card limits in March for those members who were near their previous limit
- Granted 315 low-rate loans to assist with short-term needs related to Covid-19
- Waived late fees on credit cards for several months
- Extended due dates on nearly 3,000 loans freeing up almost \$2 million in payments

As we go into the next year, we will continue to provide reliable loan products and valuable services to meet members' needs at every step of their journey.

Respectfully Submitted — *Joey Carpenter, EVP/Lending*

Audit Committee's Report

The audit committee reports that all First Florida records of operation are in favorable order and sound financial condition. The committee, comprised of three directors, ensures that management and operations are functioning professionally within the framework of state laws and the policies set forth by the Board of Directors. The committee also ensures that internal accounting procedures comply with generally accepted accounting principles. An independent certified public accounting firm works closely with the committee.

Respectfully Submitted — *Cornita A. Riley, Audit Committee Chairman*

Balance Sheet

	2020	2019
ASSETS		
Net Loans	\$666,437,302	\$696,048,674
Cash	\$5,391,134	\$4,866,858
Investments	\$496,859,636	\$303,803,082
Fixed Assets	\$30,883,280	\$26,569,611
Other Assets	\$33,715,810	\$24,662,197
Total Assets	\$1,233,287,162	\$1,055,950,422

LIABILITIES/EQUITY		
Savings/Deposits	\$636,343,541	\$502,707,812
Certificates (term deposits)	\$307,967,040	\$274,249,713
Reserves	\$159,822,541	\$151,561,461
Other Liabilities	\$129,154,040	\$127,431,436
Total Liabilities/Equity	\$1,233,287,162	\$1,055,950,422

STATEMENT OF OPERATIONS

Income		
Interest on Loans	\$26,791,752	\$26,496,087
Credit Card Income	\$1,596,845	\$1,523,042
Investment Income	\$6,099,620	\$7,666,645
Other Income	\$10,241,863	\$10,602,604
Total Income	\$44,730,080	\$46,288,378

DISTRIBUTION OF INCOME

Dividends/Interest	\$7,297,233	\$6,127,732
Operating Expenses	\$32,453,450	\$33,082,819
Net Income	\$4,979,407	\$7,077,827

Board of Directors

Jonathan R. Lyon	Chairman
Dean Willis	Vice Chairman
Richard M. Hood	Treasurer
Sandra Magyar	Secretary
Robert L. Bull	Director
Nancy H. Meier	Director
Cornita A. Riley	Director
Ken Jones	Director

Management Team

Brent E. Lister	President/CEO
Joey Carpenter	EVP/Lending
Linda K. Jones	EVP/Operations
Bradley A. Long	EVP/Finance
Michelle Troha	SVP/Marketing
Andrea Hurley	SVP/Risk Management
Rick Harper	SVP/Accounting
Libby Polk	SVP/Administration
Tim Brown	SVP/Information Technology

2020 Accomplishments

- Optimized branch operations through Appointment Concierge services
- Opened a new branch at 3280 Tamaya Boulevard in Jacksonville
- Expanded community educational events through a digital platform
- Sponsored the Business Speakers Series and Financial Skills Academy at Florida State College of Jacksonville (FSCJ)
- Named one of the “Best Companies to Work for in Florida” by *Florida Trend* magazine
- Recognized by DepositAccounts.com, a subsidiary of LendingTree, as one of the Top 200 Healthiest Credit Unions in America
- Maintained high levels of member satisfaction throughout the organization, as reflected in 2020 member satisfaction surveys





FirstFlorida
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FirstFlorida.org

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Federally insured
by NCUA

