

LEADING THE *Way.*

2018 Annual Report




FirstFlorida
CREDIT UNION
Enriching People Every Day.®



Chairman's and President/CEO's Report

At the credit union, we often say, "What gets measured and tracked, gets accomplished." Measuring and reporting ensure that First Florida makes the right decisions that help us provide superior products and services to our members. We strive to lead the way with accurate information that helps us manage our resources effectively.

First Florida experienced substantial growth and financial success in 2018. Assets grew by \$59.8 million to a total of \$930.3 million. Outstanding loans to members grew significantly. The net loan portfolio grew by \$114 million. We ended the year with a net worth ratio of over 15.41%, 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.

In 2018, First Florida researched and developed new ways to meet our members' needs by delivering an enhanced digital experience. We made positive technological changes including the rollout of our new interactive website as well as a new mobile and online banking system. These improvements touch virtually every interaction our members have with us and are at the center of our member service, our innovation, and our future.

First Florida's strategy of connecting with members also included expanding our footprint in Florida by opening two additional branches in 2018. On June 25, we opened our Bannerman Crossings branch in Tallahassee followed by our first Clay County branch in Orange Park on November 5. We are excited to announce another location is scheduled to open in Jacksonville during 2019. Branch expansion allows the credit union to enter markets that provide opportunities for new member growth, while better serving existing members.

In line with our expanded presence, we now offer commercial services to help support businesses in the communities we serve. Our focused line of products and services consist of savings, checking, money markets, certificates, and a full array of loan products. The true value of a business banking relationship goes beyond the product line. We're committed to understanding the needs of each business to better assist in its growth and development.

This past year, Hurricane Michael devastated our Panhandle, affecting many of our members. First Florida responded by offering a hurricane relief loan to those impacted by the storm. Living in Florida, hurricanes are a yearly threat. To guarantee assistance for years to come, First Florida created RISE, a fundraising program specially designed to provide “Resources for Individuals in Storm Emergencies.”

Serving our communities is an integral part of our brand. Not only did we perform well financially, we also made a positive influence on communities where we serve. First Florida has volunteered hundreds of hours, participating in activities and events that reached over 1,140 youth and adults through 41 financial education workshops. Our members and staff also raised money and collected supplies for charitable organizations including Children’s Home Society, American Cancer Society, Salvation Army, and Second Harvest.

We never take for granted that our employees are a large part of our success. To be recognized again as one of the “Best Companies to Work for in Florida” by Florida Trend Magazine was an honor and a reminder that our relationship with our employees is symbiotic, one which our members benefit from as well.

As we look forward into 2019, First Florida will continue to lead the way in offering personalized service while deepening relationships with our members and the communities we serve.

On behalf of the Board of Directors, Senior Management Team, and more than 185 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

Providing value to our members and the communities we serve is at the forefront of everything we do. As a not-for-profit financial cooperative, we return our profits to our member-owners by offering lower rates on loans, higher rates on deposits, and ongoing investments to enhance services, technology, and security.

During 2018, First Florida once again experienced significant growth and financial progress in key areas. We maintained a strong net worth position (15.41%) essential to the financial soundness of the credit union.

In 2018, members continued to utilize us for their borrowing needs. We disbursed \$251 million in loans, resulting in an outstanding gross loan portfolio of \$634.6 million. Net income for the year was \$6.3 million. Approximately \$3.0 million was distributed to members in the form of interest/dividends on savings, money markets, and certificate accounts.

We hope you are as proud as our board and staff are to be part of a cooperative focused on its members and building strong communities. Together, we build financial security.

Respectfully Submitted — *Ken Jones, Treasurer*

Credit Manager's Report

Historically, our lending products have provided strong solutions for our members. From supporting the experience and excitement of buying first cars and first homes to helping members navigate challenging times, we strive to provide value every step of the way. We appreciate our members choosing us for their loan needs, and we're pleased to announce that in 2018, we experienced loan growth of \$114 million. We ended the year with a total gross loan portfolio of \$634.6 million.

During 2018, we disbursed \$251 million in loans, compared to \$213 million in 2017. \$113 million of the loans disbursed were in the form of new and used vehicle loans, while \$63 million were comprised of lines of credit, holiday loans, and other unsecured credit.

Of the \$251 million in disbursed loans, \$41 million was comprised of first mortgages. First Florida was there to assist throughout the home-buying process with convenient and affordable financing solutions.

Our knowledgeable staff remains dedicated to developing relationships with our members and suggesting solutions to enrich people every day.

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 — *Richard M. Hood, Audit Committee Chairman*

Balance Sheet



2018

2017

ASSETS

Net Loans	\$631,797,466	\$517,839,864
Cash	\$5,858,978	\$5,097,716
Investments	\$240,460,863	\$304,547,983
Fixed Assets	\$25,442,871	\$18,564,183
Other Assets	\$26,799,978	\$24,453,517
Total Assets	\$930,360,156	\$870,503,263

LIABILITIES/EQUITY

Savings/Deposits	\$500,375,517	\$495,112,937
Certificates (term deposits)	\$163,820,835	\$130,609,540
Reserves	\$137,300,236	\$134,879,702
Other Liabilities	\$128,863,568	\$109,901,084
Total Liabilities/Equity	\$930,360,156	\$870,503,263

STATEMENT OF OPERATIONS

Income

Interest on Loans	\$22,351,424	\$18,015,622
Credit Card Income	\$1,347,024	\$1,214,452
Investment Income	\$5,968,235	\$5,995,088
Other Income	\$9,919,856	\$9,239,000
Total Income	\$39,586,539	\$34,464,162

DISTRIBUTION OF INCOME

Dividends/Interest	\$3,057,627	\$2,314,120
Operating Expenses	\$30,195,755	\$26,362,367
Net Income	\$6,333,157	\$5,787,675

Board of Directors

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



2018 Accomplishments

- Opened new branches: 3339 Beech Ridge Court (Bannerman Crossings) in Tallahassee and 1461 Kingsley Avenue in Orange Park
- Launched a new interactive website
- Upgraded to a new mobile and online banking system
- Introduced our business services program
- Created RISE, a fundraising program to provide “Resources for Individuals in Storm Emergencies”
- Named one of the “Best Companies to Work for in Florida” by Florida Trend Magazine
- Maintained high levels of member satisfaction throughout the organization, as reflected in 2018 member satisfaction surveys



FirstFlorida

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www.firstflorida.org

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