

2024



SUPERVISORY COMMITTEE REPORT

Kari Polk, *Supervisory Committee Chair*

First Watch Federal Credit Union's Consumer Loan Department reviewed 2,657 loan requests and approved and funded 811 loans totaling \$19,397,965 during 2024. Thirty-one percent of loan requests were approved, while 69 percent of loans were denied.

313 Personal Loans totaling \$1,552,766.
490 Auto Loans totaling \$17,695,285.
8 Boat, RV, Motorcycle Loans totaling \$149,914.

5 Home Equity Loans totaling \$620,000.
3 Real Estate Loans totaling \$293,787.

We assisted 9 members purchase and refinance homes through credit union partners for a total of \$1,802,065. A total of 36 new MasterCards® were approved.

First Watch Credit Union loan officers review each loan application in accordance with policy guidelines established by the Board of Directors. Each quarter, the Supervisory Committee studies the percentage of approved loans to ensure proper compliance and documentation. The committee's specific duties are to:

- Review and ensure, through internal and external auditors, that the proper internal controls of the credit union exist.
- Ensure proper audit and enterprise risk management procedures.
- Audit the books, financials, and business operations of the credit union using an appointed independent auditor.
- Validate and verify the accounts of members against the credit union's records.
- Review the affairs of the Board of Directors, officers, and management for adherence to First Watch Credit Union's bylaws and policies, and all regulations provided by government agencies.
- Maintain the reputation of the credit union by thoroughly investigating any and all claims made to the credit union and acting on the findings.

Waypoint Advisory was selected by the Supervisory Committee to audit the credit union's financial statements and ensure that they were reported according to the Generally Accepted Accounting Principles (GAAP). It is important to us that we can offer competitive rates and friendly service through our loan department.

First Watch Credit Union is thankful for the relationships we continue to build while providing for our members. Thank you for your support and membership.

2024



BALANCE SHEET

Nancy Edgar, *Treasurer*

ASSETS

Loans	\$67,734,795
Cash/Investments	\$26,059,847
Building, Furniture, Equipment & Other Assets	\$3,011,255
Total Assets	\$96,805,897

LIABILITIES

Accounts Payable/Other Liabilities	\$227,479
Member's Shares & Certificates	\$87,022,654
Undivided Earnings	\$7,399,418
Reserve	\$2,156,346

Total Liabilities and Equity ————— **\$96,805,897**

OPERATING INCOME

Loan Income	\$3,625,261
Investment Income	\$663,457
Misc. Operating Income	\$1,574,982
Gross Income	\$5,863,700

Total Operating Expenses	\$4,684,517
Total Dividends Paid	\$996,160
Total Expense	\$5,680,677

TOTAL NET INCOME ————— **\$183,023**

2024

ANNUAL REPORT



FIRST WATCH
— CREDIT UNION —

2024



PRESIDENT'S REPORT

Megan Allred, *President & CEO*

Recently, our culture and economy has encountered uncertainty, supply chain disruptions, rising energy costs and rising prices in general. We at First Watch are doing our part to get through these challenges by offering competitive rates and products, adapting to the shifts in the industry and the economy, and developing forward-thinking and streamlined processes so that we can provide the best value and experience for you.

With our latest conversion of our digital banking platform, we aimed to create an experience that still feels personal while offering convenience and easy navigation. To address “pain points” for both our members and staff, we have worked meticulously to streamline and simplify our processes wherever possible.

As your community credit union, we continue our priority of outreach and involvement in our local communities. Our employees doubled the number of volunteer hours logged in 2024, contributing over 600 hours throughout the year to organizations within our community. Developing relationships with many local organizations continues to be the heart and soul of our legacy. Through service, leadership roles and financial support, we have continued to support the community we love.

This past year, workplace culture has been a top priority within the walls of the credit union. Every employee helps to shape and evolve the culture; therefore, we have focused on additional training and resources to give our staff the opportunity to develop and enhance the environment we create here at the credit union.

First Watch is nothing without its members, and each one of you is a vital ingredient to our success. As we look ahead, we see endless possibilities on the horizon. Our commitment to providing a financial path to personal well-being and a strong sense of community will remain at the core of everything we do. Thank you for your membership and we look forward to serving you.

2024



CHAIRMAN OF THE BOARD REPORT

Doug Hall, *Chairman*

On behalf of the First Watch Credit Union Board of Directors, I am pleased to report that the credit union performed reasonably well in 2024. Despite the economic challenges, First Watch was able to delicately ensure a balance between interest rates, affordability for our members and effective budget management. We were able to maintain a healthy balance sheet with our assets ending at \$96,805,897 and a positive net income of \$183,023.

One of the benefits of credit union membership is the opportunity to share in the profits. Our 9,661 members are always our top priority, and whenever we can, in keeping with our credit union mission, we distribute those profits back to you. Our success allowed us to pay \$996,160 in dividends to our members.

This past year, we expanded our Skip-a-Payment program to assist members throughout the entire year. We are cognizant of the impact we can have by supporting our members through difficult times. This program assisted members in deferring 714 loan payments. The fees collected from this program are used to benefit local charities.

I have deep confidence in the leadership of First Watch Federal Credit Union, the wisdom and guidance of our board of directors, the commitment of the dedicated staff and the support and loyalty of our member-owners. Our future is bright because our strong performance has positioned us to face any challenge and seize any opportunity that presents itself in 2025.

