

# ANNUAL REPORT 2021

THERE  
IS  
POWER  
IN YOUR  
GAME  
AT  
WKFCU!



WILLIS-KNIGHTON  
FEDERAL CREDIT UNION

## Report of the Chairman and CEO

The Board of Directors and Senior Management are pleased to report a year of strong financial performance even in a year of great uncertainty.

Here are some highlights of what we accomplished in 2021:

- Welcomed 434 new members reaching 7,547 total members
- Produced 1,463 new loans for a total of \$10,024,481.86
- Added 282 new checking accounts
- Ended 2021 with a net worth ratio of 14.22% (more than double the regulator's requirement to be well-capitalized)
- Controlled delinquency at 0.43%
- Ended 2021 with a 1.05% Return on Assets
- Continue to offer competitive loan interest rates and deposit dividend rates
- Increased Internet Teller and Mobile App usage to 3,560 members – 47% of the membership
- Continued to promote Shazam Brella as a way to help mitigate debit card fraud for our members
- Upgraded the Internet Teller platform
- Upgraded the Bossier Branch drive-thru system
- Our Credit Union employees were involved in making our community a better place to live by volunteering time and donating money to various causes

We are excited to continue the following plans to strengthen your credit union in 2022.

- Continue to provide our members with the best possible products and services
- Upgrade all ATMs by the end of the year
- Upgrade phone and data processing systems to better serve our members
- Consider e-Signature and on-line loans for lending
- Consider a rewards program for both our debit cards and credit cards

On behalf of the Board of Directors, Management, and each of our employees, we would like to extend our most sincere appreciation for your continued trust and loyalty. Willis-Knighton Federal Credit Union remains safe and strong and we continue to serve you in new and exciting ways. We continue our commitment to be the answer for your financial needs and to provide you exceptional service with every interaction. WE ARE HERE FOR YOU!

Today – we celebrate YOU! Thank you for being our member!

Jaf Fielder, Chairman-Board of Directors  
Courtney Barrett, CEO

Balance Sheets  
December 31, 2021 and 2020

Assets

	<u>2021</u>	<u>2020</u>
Cash and cash equivalents	\$18,191,335	\$14,418,042
Time Deposits	449,000	997,000
Loans receivable, net of ALL	22,175,253	21,563,172
Capital share deposits in corporate credit unions	63,291	63,291
Property and equipment,	564,919	546,224
Accrued interest receivable	50,995	49,605
NCUSIF deposit	317,996	272,631
Other assets	<u>107,382</u>	<u>108,877</u>
Total Assets	<u>\$41,920,171</u>	<u>\$38,018,842</u>

Liabilities and Members' Equity

Members' share accounts	\$35,726,530	\$32,222,451
Official checks outstanding	177,649	205,846
Accrued interest payable	21,147	26,374
Accounts payable and other liabilities	<u>35,497</u>	<u>26,417</u>
Total Liabilities	<u>35,960,823</u>	<u>32,481,088</u>
Regular reserve	464,674	464,674
Undivided Earnings	<u>5,494,674</u>	<u>5,073,080</u>
Total members' equity	<u>5,959,348</u>	<u>5,537,754</u>
Total Liabilities and Members' Equity	<u>\$41,920,171</u>	<u>\$38,018,842</u>

Statements of Income  
Years Ended December 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Interest Income		
Loans	\$1,166,360	\$1,131,762
Investments	16,063	50,672
Total interest income	<u>1,182,423</u>	<u>1,182,434</u>
Interest Expense		
Members' share accounts	94,956	156,415
Other borrowed funds	0	0
Total interest expense	<u>94,956</u>	<u>156,415</u>
Net interest income	1,087,467	1,026,019
Provision for loan losses	<u>0</u>	<u>20,000</u>
Net interest income after provision for loan losses	<u>1,087,467</u>	<u>1,006,019</u>
Non-interest Income		
Net (loss) gain on sale of assets	(483)	100
Share account fees	498,300	448,695
NCUA distribution for claim cert	96,092	70,908
Other fees and income	<u>46,479</u>	<u>45,835</u>
Total non-interest income	<u>640,388</u>	<u>565,538</u>
General and administrative expenses		
Compensation and benefits	729,035	729,777
Occupancy and maintenance	175,153	166,140
Office and operations	<u>402,073</u>	<u>400,125</u>
Total general and admin exp	<u>1,306,261</u>	<u>1,296,042</u>
Net Income	<u>\$421,594</u>	<u>\$275,515</u>

## Report of the Supervisory Committee

The Supervisory Committee is appointed by the Board of Directors, but works independently of the Board for the purpose of ensuring accurate records and protection of members' funds. We ensure that a quality system of checks and balances is maintained. The committee also utilizes the support of management to review selected areas of the credit union operations on an on-going basis.

The Supervisory Committee acts as a guardian of the credit union by ensuring that operations are conducted in accordance with governing rules and regulations and assets are properly administered. The committee retained the services of a professional outside Certified Public Accountant firm - Silas Simmons LLP - to perform a comprehensive annual audit. Additionally, the National Credit Union Administration, our regulatory agency, has conducted a thorough examination of the credit union's operations.

Based on the Supervisory Committee's interaction with the Board of Director and management of the credit union, it is the opinion of the Supervisory Committee that Willis-Knighton Federal Credit Union is conducting its affairs in a safe manner and that the financial statements presented in this annual report fairly represent the condition of Willis-Knighton Federal Credit Union at yearend 2021.

Terri Smith – Supervisory Committee Chairman

## Report of the Nominating Committee

The Board of Directors of Willis-Knighton Federal Credit Union appointed Terri Smith, Edward Rafferty and Brandon Marrs to serve as the Nominating Committee for the elections to be held at the Annual Meeting on May 19, 2022. Terri Smith served the committee as Chairperson.

The Nominating Committee is placing into nomination the following individuals to serve a three-year term expiring 2025:

Stacy Alexander  
Sharon Marshall

## Minutes of the 68th Annual Meeting

The 67th Annual Meeting of Willis-Knighton Federal Credit Union took place at the WKFCU Loan Center on May 13, 2021.

The Annual Meeting was a Drive-thru Open House event, but a quorum was present.

The minutes of the 2020 Annual Meeting were presented in the Annual Report for review.

The Annual Report included statistics about the credit union, several officers' reports, our 2020 accomplishments as well as our 2021 goals.

The Nominating Committee placed in nominations for three-year terms to expire in 2024 the following: Patricia Koopman, Kelly Elrod, Joshua Mason. All nominees were accepted by acclamation.

Door prizes were given out at the end of the event.