

A S C E N D



2021 ANNUAL REPORT

INCOME AND EXPENSE YEAR-TO-DATE

	12/31/21	12/31/20
INTEREST INCOME		
INCOME, LOANS	8,037,912	8,527,693
INCOME, INVESTMENTS	489,961	286,871
TOTAL INTEREST INCOME	8,527,874	8,814,564
INTEREST EXPENSE		
TOTAL INTEREST, DEPOSITS	743,750	988,263
TOTAL INTEREST, BORROWINGS	3	55,166
TOTAL INTEREST EXPENSE	743,753	1,043,429
NET INTEREST INCOME	7,784,121	7,771,135
TOTAL LOAN LOSS EXPENSE	837,802	1,115,219
TOTAL LOSS PROVISION	837,802	1,115,219
NET AFTER LOSS PROVISION	6,946,319	6,655,916
NON-INTEREST INCOME		
SERVICE FEES	6,602,023	5,062,140
TOTAL OTHER INCOME	6,602,023	5,062,140
NON-INTEREST OPERATING EXPENSES		
TOTAL OPERATING EXPENSE	13,029,694	11,047,121
INCOME BEFORE EXTRAORDINARY ITEMS	518,648	670,935
EXTRAORDINARY ITEMS		
(GAIN) / LOSS ON DISPOSAL OF ASSETS	(1,121,109)	(399,800)
NET INCOME	1,639,757	1,070,735

STATEMENT OF CONDITION

ASSETS		
TOTAL LOANS TO MEMBERS	173,354,201	168,447,466
TOTAL ALLOWANCE FOR LOAN LOSSES	(1,389,813)	(1,419,111)
TOTAL RECEIVABLES	391,646	692,322
TOTAL CASH	9,195,678	7,495,836
TOTAL INVESTMENTS	96,509,194	90,315,638
TOTAL PREPAID AND DEFERRED EXPENSES	3,082,818	3,050,744
TOTAL FIXED ASSETS	26,319,004	23,682,500
TOTAL ACCRUED INCOME	694,377	766,905
TOTAL OTHER ASSETS	506,373	474,230
TOTAL ASSETS	308,663,478	293,506,530
LIABILITIES		
TOTAL ACCOUNTS PAYABLE	1,086,232	612,981
TOTAL NOTES PAYABLE	504,231	279,516
TOTAL CONTINGENT ITEMS	824,538	805,789
TOTAL OTHER LIABILITIES	4,829,052	4,582,797
TOTAL LIABILITIES	7,244,052	6,281,083
DEPOSITS		
TOTAL DEPOSITS	271,151,531	257,838,809
EQUITY		
TOTAL MEMBER CAPITAL	30,267,895	29,386,638
TOTAL LIABILITIES, DEPOSITS & EQUITY	308,663,478	293,506,530



2021 ANNUAL MEETING AGENDA

Call to Order
Ascertain Quorum
Reading and Approval of Minutes
Report from Chairman of the Board
Report from President/CEO
Annual Audit Report
Unfinished Business
New Business
Election of Board of Directors

REPORT OF THE BOARD OF DIRECTORS and Management, Year ending December 31, 2021

First Basin continued to grow and reached an all-time high for deposits, assets, and net worth at year-end. Total assets and deposits increased to \$308 million and \$271 million, respectively. Net worth improved to more than \$30 million, putting the net worth ratio at 10%, which was substantially ahead of the “well-capitalized” level of 7%, as determined by regulatory authorities. In addition, even though loan receivables were below the all-time year-end high of \$209 million, 2021’s balance of \$173 million represents a gain of \$4.9 million over the prior year.

Throughout the ruggedness of the past two years, the mission of First Basin Credit Union has stood firm and shined brightly in the blue sky of hope. Credit union staff, more than ever, worked diligently to exceed member expectations by going above and beyond to provide the professional financial solutions to support our members’ needs during such an unprecedented time.

In doing so, First Basin remained committed to supporting small businesses in 2021 through the advancement of loans through the U.S. Small Business Administration (SBA) Paycheck Protection Program. FBCU has been an approved lender for the SBA since 2011 and was proud to be part of the SBA-backed loan program that helped businesses keep their workforce employed during the COVID-19 crisis. During 2021, FBCU provided loan advances totaling more than \$8 million to 217 businesses. This followed 2020 in which more than \$12 million in loan proceeds were advanced to 380 business.

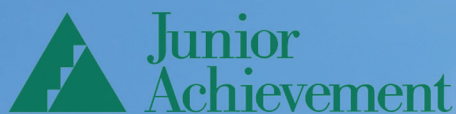


In March of 2021, First Basin also ascended into a momentous new chapter – construction on the all-new FBCU Corporate Headquarters Office was completed and opened its doors in Parks Legado. The 64,000 square-foot, four-story building houses all Senior Management, and credit union support staff including Marketing, Accounting, Lending, and Compliance. The full-service branch provides a member service café for members to sit one-on-one with credit union employees, or to manage their own banking in a secure location. Premier technology and a spacious eight-lane drive thru provides exemplary, and convenient, services to our members.

In aspirations to connect to the West Texas Skyline, First Basin also added a beautiful new addition to the FBCU Corporate Headquarters. In collaboration with Odessa Arts, the “Hadley Cell” art sculpture, designed and created by artists Jim Hirschfield and Sonja Ishii, proudly went up alongside the Corporate Headquarters Office in November of 2021. The exquisite art piece depicts atmospheric circulation featuring rising air near the equator – much like the community continues to rise and persevere among the circumstances surrounding us all.

Although 2021 began with a bleak outlook, First Basin Credit Union took the dreary and embraced it with understanding to reach out to the community and be a helping hand to those around us.

Two years ago First Basin joined the ECISD “Adopt a School” program and adopted Zavala Magnet Elementary. Throughout 2021, FBCU stayed connected to the students, its faculty and staff. First Basin celebrated the hard work and dedication of the teachers by sponsoring breakfast to kick-off the new school year and treated the faculty and staff to lunch at Christmas. The FBCU team joined the “Bookworms Literacy Program” to read to students, and also took the time to teach students about the basics of money, what a credit union is, and the importance of understanding wants vs. needs.



Since 2015 First Basin has also been a proud sponsor of Junior Achievement of the Permian Basin. Each year, we step into the classroom of our local high schools to reach out to our youth and teach them the importance of financial literacy – from spending money wisely, budgeting, saving, earning money and more. In 2021, the First Basin team taught 16 classes, reaching more than 370 students.

In a year of continued uncertainty, the heart of First Basin members and staff shined through to help support the Odessa community. FBCU set a goal of raising \$10,000 in support of United Way of Odessa (UWO) and far-exceeded the set amount raising more than \$15,000 to donate toward the UWO Annual Campaign.



For the ninth year, First Basin hosted a donation drive to benefit High Sky Children's Ranch. With the generous donations of members, and money donated by the credit union, FBCU presented a check for \$3,000 to High Sky to help make Christmas wishes come true for more than 100 children across West Texas.

In 2021, First Basin was also honored to receive the "Rise Award" from Keep Odessa Beautiful for sponsoring "Planet Troopers", a summer litter-prevention education program for our youth, to the community for the last five years. FBCU has multiple "Adopt a Spot" locations across Odessa and organizes litter pick-ups twice a year in support of the KOB mission for a litter-free community.

As we continue rising and moving forward, First Basin recognizes we could not be working through the ongoing pandemic, and its effects, without our medical community. When we opened our doors in the basement of Medical Center Hospital in 1965, we planted deep roots and a close affiliation with the medical community. It is incredibly fitting that the Odessa Chamber of Commerce chose to honor the health care workers with the Citizens of the Year Award for 2021. First Basin has a great appreciation to our frontline healthcare workers and could not agree more. We are thankful for their selfless contributions to the health and well-being of, not only our community, but cities and citizens across the State of Texas.

A blue ink signature of Shem Culpepper.

Shem Culpepper
President & CEO

A blue ink signature of Sam Gonzalez.

Sam Gonzalez
Chairman



REPORT TO MEMBERSHIP

First Basin Credit Union appreciates the commitment and dedication of the Board of Directors. Currently, FBCU pays each director \$400 per board meeting attended. The FBCU Board of Directors are presented below, along with the expiration dates of their terms.

Rebecca Marler	2/2022	Gary Windham	2/2023
Wesley Burnett	2/2022	Cathy Laracuenta	2/2024
Sam Gonzalez	2/2023	Steve Compton	2/2024

There were no documented changes to the First Basin Credit Union bylaws in 2021.



ANNUAL AUDIT

The annual audit performed by Doeren Mayhew CPAs resulted in a determination that First Basin Credit Union's reported financial statements for December 31, 2020, present fairly, in all material respects, its financial position and are in conformity with accounting principles generally accepted in the United States of America. The financial statements for December 31, 2021, have not yet been audited.



MISSION STATEMENT

First Basin Credit Union will do whatever it takes to exceed members' expectations by providing professional financial solutions that place members' needs first.

Board of Directors

Chairman – Sam Gonzalez
Secretary – Gary Windham
Treasurer – Rebecca Marler
Wesley Burnett
Steve Compton
Cathy Laracuenta

Senior Management

<i>President/CEO</i>	Shem Culpepper
<i>Chief Financial Officer</i>	Ana Gonzalez
<i>Chief Lending Officer</i>	Doug Sypolt
<i>Chief Marketing Officer</i>	Tim O'Reilly
<i>Chief Operations Officer</i>	Brad Stillwell
<i>Chief Retail Officer</i>	Julia Tarin



7100 E. TX Hwy 191 | Odessa, Texas | 79765
(432) 333-5600 | www.firs:basin.com

