



## AGENDA

- Invocation
- Verification of Quorum
- Approval of Minutes of the 68th Annual Meeting
- Joint report from Board/Management
- Old Business
- New Business
- 2021-2022 Lee Johns Memorial Scholarship Recipients:  
Hannah Starnes  
Emma Pillion
- Adjournment
- Benediction

# *69th Annual Meeting*



# Joint Report from Board & Management

The year 2021 came and went in a flash. We made many great strides last year. In June of 2021 we were finally able to lift the Covid mask mandate and start operating in a fashion that we were all more accustomed to. We grew loans, shares, & assets and opened a new branch office in West Morristown, so as you can see, we were quiet busy last year.

Assets grew \$18.8 million (16.2%), loans grew \$15.2 million (20.5%), deposits grew \$17.5 million (16.2%), and we set a record for Net Income of \$622k. Lowland Credit Union has the most assets, most loans, most deposits that we have ever had and made the most money in a single year that we had ever made. All-in-all we had a great year! While these are great milestones to celebrate, we also had our share of challenges to overcome with the largest hurdle being staff turnover. It goes without saying the labor market was very tight in 2021. We are halfway into 2022 and we are still experiencing a very tight labor market and are scrambling to keep a full roster of employees.

We commend the staff for all their diligent, hard work in 2021. Your staff is a fine group of caring, hard-working individuals that day after day do all they can to keep LCU a caring, and safe place to keep your money. As was noted in the paragraph above, we had a great deal of staff turnover and while we were short-handed, everyone pulled together and did whatever was necessary to serve our members as best we could, for that we are thankful.

In September 2021 we saw a plan come to fruition that had been 5+ years in the making... A new branch office at 3610 W Andrew Johnson Hwy in West Morristown. There had been much discussion about a location in West Morristown; but we knew that we had to get the Main Office built, furnished, and stood-up before we could look westward. Once we were comfortable with our Main Office, we pulled the trigger on the West Office. While traffic was initially slow, we have seen an uptick in foot traffic and are pleased with the results. If you have not checked out the new West Morristown Office, we encourage you to stop in and say hello. The staff would be more than happy to help you.

While we are proud of the accomplishments of 2021, we are grateful to our membership. Without the great members of LCU none of the accomplishments listed above would have been possible. As a reminder, Lowland Credit Union is the ONLY locally owned/managed financial institution in Hamblen County and the ONLY credit union located in Cocke County. Our success hinges on you, our loyal members. We encourage you to think of Lowland Credit Union as your primary financial institution and check with us first before checking elsewhere. The more products and services you use, the more products and services we can offer and that is a win-win for everybody! We thank you for another year of support and we are committed to continuing to invest in our people, better technologies and facilities, and our local economy while keeping your money safe and sound.

## SUMMARY OF SIGNIFICANT CHANGES SINCE LAST ANNUAL MEETING 10/19/2021

Changes to Management	None
Changes to By-Laws	None
Important Notes to Changes in Financial Condition	No NCUA Corporate Stabilization deposit required for 2021.
Changes to Membership Size	Members December 2020: 11,656 Members December 2021: 11,549 Net Member Increase(Decrease): (107)
Services offered since last Annual Meeting	New Branch office at 3610 W AJ Hwy, Morristown, TN 37814

## BOARD OF DIRECTORS

Tommy Musser, Chairman  
Brandon Tomassoni, Vice-Chairman  
Ronnie Moore, Treasurer  
Todd Marshall, Secretary  
Roy Arnwine  
Leon Cagle  
Eddie Gilbert  
Joann Jenkins  
John Walker

# Balance Sheet

	2021	2020
	Unaudited	Unaudited
<b>ASSETS</b>		
Loans to Members	89,130,912	73,929,405
Allowance for Losses	(575,766)	(524,976)
Cash	3,739,493	3,379,152
Investments	32,197,107	29,876,056
Deposit in NCUSIF	1,139,134	1,022,009
Prepaid Expenses and Other Assets	2,058,907	921,912
Property & Equipment, Net	7,430,912	7,662,094
<b>Total Assets</b>	<b>135,120,699</b>	<b>116,265,652</b>
<b>LIABILITIES &amp; EQUITY</b>		
Members' Savings Accounts	125,574,255	108,058,223
Interest Payable on Members' Savings	-	-
Other Liabilities	399,416	(628,719)
<b>Total Liabilities</b>	<b>125,973,671</b>	<b>116,265,652</b>
Retained Earnings, Substantially Restricted	9,147,028	8,836,148
<b>Total Liabilities &amp; Equity</b>	<b>135,120,699</b>	<b>116,265,652</b>

# Statement of Income

	2021	2020
	Unaudited	Unaudited
<b>INTEREST REVENUE</b>		
Interest & Fees on Loans	3,897,746	3,175,995
Interest on Investments	341,465	504,566
<b>Total Interest Revenue</b>	<b>4,239,211</b>	<b>3,680,561</b>
<b>INTEREST EXPENSE</b>		
Dividends & Interest Expense On Member Savings	315,420	509,297
<b>Total Interest Expense</b>	<b>315,420</b>	<b>509,297</b>
<b>Net Interest Revenue</b>	<b>3,923,791</b>	<b>3,171,264</b>
<b>Provision for Loan Losses</b>	309,000	243,500
Net Interest Revenue after Provision for Loan Losses	3,614,791	2,927,764
Other Operating Revenue:	1,443,050	1,321,545
	<b>5,057,841</b>	<b>4,249,309</b>
<b>Other Operating Expenses:</b>		
Salaries & Employee Benefits	2,129,927	1,677,993
Office Occupancy	267,931	268,900
Professional Fees	1,022,803	907,627
Members' Insurance	57,569	61,292
Other Operating Expenses	982,083	839,037
<b>Total Operating Expenses</b>	<b>4,460,313</b>	<b>3,754,849</b>
<b>Other Income (Expense)</b>		
Potential Gain (loss) asset for sale	-	-
Gain (loss) on Disposal of Assets	12,596	(64,160)
Gain (loss) on Disposal of Investments	12,500	124,169
<b>Net Income</b>	<b>622,624</b>	<b>554,469</b>



# Minutes of the 68th Annual Meeting

Tommy Musser, Chairman of the Board, called the meeting to order at 4:00 p.m. on Tuesday, October 19, 2021 at the Main Office in Morristown, Tennessee. Due to the COVID-19 pandemic, annual reports were posted on the website and instructions were included in the September member statements on viewing the annual report as well as instructions on phoning in should a member have questions for the directors or senior management.

The secretary, Todd Marshall, asked if there had been at least 100 views of the annual report (100 is LCU's quorum). Will McKinney verified that as of 3:15 pm on Tuesday, October 19th that there had been 357 views of the annual report via report from PMD Marketing our website host.

Joann Jenkins made a motion to approve the minutes from the 67th Annual Meeting. John Walker seconded, a vote was taken and the minutes were unanimously approved.

Will McKinney answered phone calls from members with questions about the annual report. There was one question by member Barbara Janelle concerning the Paper Statement Fee, her question was answered by Will McKinney.

Eddie Gilbert made a motion to adjourn. Joann Jenkins seconded the motion and the meeting adjourned at 4:30 pm.

The following Board Members were present:

Tommy Musser  
Joann Jenkins  
Brandon Tomassoni  
Eddie Gilbert  
John Walker  
Todd Marshall

The following Staff were present:

Will McKinney  
Heather Moore

## LOBBY HOURS

Monday -Thursday: 9am-5pm  
Friday: 9am-6pm

## DRIVE THRU

Monday-Thursday: 8am-5pm  
Friday: 8am-6pm

423.581.8345

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