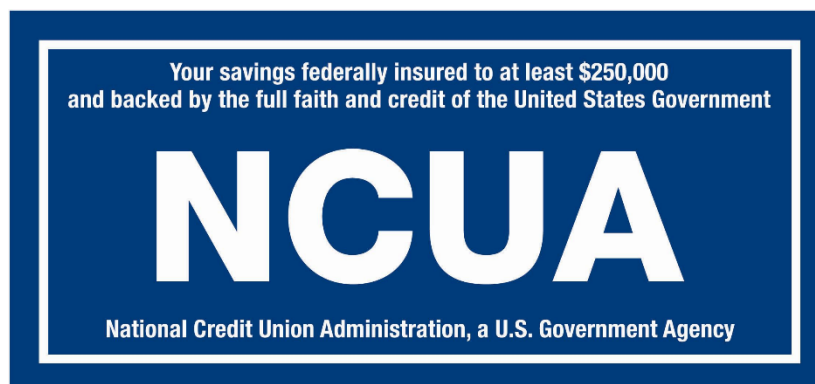




81st Annual Report to the Membership June 8, 2021

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Your Board of Directors



Bill Milam
Chair



Brenda Petry
Vice Chair



Martin Langlois
Secretary



Ernie Powers
Treasurer



Wanda Mann



Cindy Daniel



Alice Stanley



Lyn Bartges



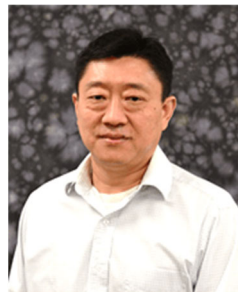
Tabitha Crist

The Board of Directors is responsible for the overall governance, general direction, and control of the credit union. Board members are elected by the membership.

Your Supervisory Committee



Deepesh Randeri
Chair



Shaorong Zhang



Corrina Boggess

The Supervisory Committee is responsible for audits and the verification of member accounts. Supervisory Committee members are appointed by the Board.

Minutes from Last Year's Annual Meeting

Annual Meeting Minutes from June 2, 2020

The 80th Annual Meeting of Pioneer WV Federal Credit Union was held virtually, via Facebook, on Friday, June 11, 2020.

Chairman, Bill Milam called the meeting to order at 4:58 pm and welcomed all credit union members. Chairman Milam declared that a quorum was present throughout the main office, where the meeting was being broadcast.

Chairman Milam called for a motion to approve the minutes as submitted and for the adoption of the published agenda and procedures for the conduct of the meeting which provided for dispensing with the public reading of procedures and reports which were contained in the written report to members. A motion to that effect was made and seconded followed by a vote in which the motion carried.

Chairman Milam called for the Nomination Committee Report.

Nominating Committee Chair, Tabitha Crist, announced the individuals selected by the committee for another three-year terms on the Board of Directors were Cindy Daniel, Wanda Mann, and Lyn Bartges. Since no other persons sought the positions, the credit union bylaws allow for their appointment without a full membership vote.

Chairman Milam reminded members that the Treasurer's Report and Supervisory Committee Report was available for review on the credit union website and in the printed report to members.

CEO, Dan McGowan, addressed the membership discussing the financial condition of the credit union and general other information, past and present, about member services.

Chairman Milam called for any questions or concerns from the membership.

With no new business to be conducted, the 80th Annual Meeting was declared adjourned by Board Chairman Milam at 5:10 pm.

Nominating Committee Report

This year's nominating committee was chaired by Tabitha Crist.

Because of their experience and ability to serve credit union members, the following individuals have been endorsed by the Nominating Committee for re-election to the Board of Directors.

Brenda Petry – Brenda would like to once again thank the membership for considering her for Pioneer West Virginia FCU's Board of Directors. As an incumbent for board of directors, her efforts will continue to be aimed at promoting unity among, as well as truthful and honest service to, the Board, credit union employees, and the membership as a whole. Her previous service on the credit committee (7 years), the supervisory committee (8 years) and the board of directors (15 years) has only helped to increase her knowledge of credit union operations and strengthen her ability to satisfactorily serve all concerned.

Additionally, Brenda retired June 2009 from Kanawha County Schools (where she was employed for 40 years). Her responsibilities as an Executive Secretary included working with all components of financial accounting. She also was a member of and/or chaired committees that were directly involved with planning staff development/training sessions for service employees within the school system. She continues to instruct service employees in computer training on a contractual basis for Kanawha County School, and is contracted by the Title I Department to process supplemental payrolls and purchase requisitions for all Title I schools.

Ernie Powers – Ernie has served on the Board of Pioneer WV Federal Credit Union for eleven years beginning with the Supervisory Committee. Ernie is retired from Kanawha County Schools as teacher/counselor at South Charleston High School. He was Lead Teacher for Business & Marketing in Kanawha County Schools. He is involved in the West Virginia Association for Career and Technical Education organization serving as Treasurer and membership Coordinator. He was honored as one of the four national recipients of the Leadership Achievement Award for 2014-2015. Since retirement he is a substitute teacher/counselor in Kanawha County. Ernie has been married for 44 years to Patricia Walker Powers and they have two sons, Jeff and Greg. Grandparents of Gracie, age 11, Elijah, age 4 and Karlie, age 2 years. Ernie and his family attend Maranatha Fellowship Church in St. Albans where they are involved in the Card Ministry.

Alice Stanley - Alice, first and foremost, would like to thank the members of Pioneer Federal Credit union for considering her to continue serving on the Board of Directors and thank the membership for the trust they have extended to her in the past.

Mrs. Stanley came to us from THE MAC Federal Credit Union May, 2011 as a result of the merger between Pioneer and THE MAC. During her nineteen years serving at THE MAC, she served on both the Board of Directors and Chairperson of the Supervisory Committee. She has experience in personnel management, choosing medical benefits and assessing competitive wages for a credit union. Revising policies and conducting supervisory committee surveys were part of her responsibilities at that time.

Since joining the Board of Directors at Pioneer, Mrs. Stanley has served on the Personnel Committee and served as judge for the yearly scholarships given by Pioneer to college students. She looks forward to serving more in the future and seeing the credit union grow outside our current area. As a twenty nine year resident of Scott Depot, she is particularly proud of our presence in Putnam County.

Professionally, Alice is a graduate of Alderson Broaddus College and has been employed as a Surgical Physician Assistant at Thomas Memorial Hospital since July 1980. As Lead Physician Assistant she manages personnel as well as her clinical duties. She serves as Clinical Site Coordinator for Alderson Broaddus University PA Program and coordinates and precepts PA students from Marietta College and University of Charleston.

Alice appreciates all she has seen and been a part of at Pioneer Federal Credit Union. She is excited about the services Pioneer affords her fellow employees at Thomas Hospital. She sends a special thank you to her fellow employees for their continued trust.

Alice appreciates all she has seen and has been a part of at Pioneer. She is excited about all the new services Pioneer has afforded her fellow employees at Thomas Hospital. She would like to thank her co-workers for their continued trust in her over the years. Thanks as well to the membership of Pioneer for considering her for the board of directors.

Treasurer's Report

We are pleased to report that Pioneer West Virginia Federal Credit Union has completed another year in an exceptionally strong financial position, despite some interesting challenges caused by the COVID-19 pandemic.

As of March 31st, Pioneer's capital ratio of 10.4% remains well above our regulator's benchmark of 7%, indicating a very safe, well capitalized, and sound institution. PWV also surpassed the \$200 million mark in assets. And, your credit union has remained modestly profitable even under pandemic economic conditions.

We have made one notable change in the audited financial reports submitted to the members this year. PWV has moved from an annual calendar year financial statement audit to an annual audit date as of March 31st. We made the change so that the latest audited financials would be more current for our annual meeting in June of each year.

Interestingly, PWV's members appear to be in the best of financial health in the history of the credit union in spite of, and to some degree because of, the pandemic. We've been observing evidence of that all through the pandemic as government stimulus funds poured into member accounts, enabling members to make loan payments on time, keep their share draft accounts fully funded, and pay down debt.

The result is that fewer members are paying late fees on loans, fewer members are incurring overdraft fees, and members are lowering their interest expenses by paying down debt. While that means less income to the credit union, your leadership here at Pioneer celebrates anything that improves the financial well beings of our members. That's a credit union mindset not to be found at a bank.

Pioneer's Board and management team continue to focus on positioning the credit union to continue as a viable financial institution in your service for the generations ahead.

I would like to thank my fellow board members and the credit union staff for their dedication and hard work in doing their best to meet the needs of our members.

However, without question, a large part of our success must be attributed to the many loyal members who have taken advantage of PWV's services and have encouraged family and friends to do so as well.

With the continual efforts of everyone working together, our credit union has a very bright future.

Respectfully submitted,
Ernie Powers, Treasurer



CPAs for Credit Unions

Independent Auditor's Report

To the Board of Directors of
Pioneer West Virginia Federal Credit Union

Report on the Financial Statements

We have audited the accompanying statement of financial condition of Pioneer West Virginia Federal Credit Union as of March 31, 2021 and the related statements of income and comprehensive income, members' equity and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the credit union's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the credit union's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Pioneer West Virginia Federal Credit Union as of March 31, 2021, and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Lillie & Company LLC

Sunbury, Ohio
May 20, 2021

Adding insight... Not just numbers.

801 W. Cherry Street, Suite 100, Sunbury, OH 43074
Phone 866-965-2294 | 740-965-2294 | website www.lilliecpa.com

Pioneer West Virginia Federal Credit Union

Statement of Financial Condition

March 31, 2021

ASSETS

Cash and cash equivalents (Note 6)	\$ 34,035,100
Investments (Note 2)	
Available for sale	1,127,191
Other investments	594,191
Loans - less allowance for loan losses (Note 3)	159,369,032
Mortgage loans held for sale	377,021
Property and equipment - net (Note 4)	9,883,954
Other assets	
Accrued interest receivable - loans	431,582
Accrued interest receivable - investments	4,847
Collateral in liquidation	127,742
Prepaid expenses	334,754
Surrender value of life insurance policy (Note 13)	1,828,549
Other assets	56,394
NCUSIF deposit	1,623,587
Total other assets	4,407,455
Total assets	\$ 209,793,944

LIABILITIES AND MEMBERS' EQUITY

Members' share accounts (Note 5)	\$ 185,502,979
Borrowings (Note 7)	500,000
Deferred compensation liability (Note 13)	746,904
Accrued and other liabilities	735,631
Total liabilities	187,485,514
Members' equity - substantially restricted	
Statutory reserve	4,877,469
Undivided earnings	16,898,700
Equity acquired in merger	456,347
Accumulated other comprehensive income	75,914
Total members' equity	22,308,430
Total liabilities and members' equity	\$ 209,793,944

Pioneer West Virginia Federal Credit Union

Statement of Income and Comprehensive Income

For the Year Ended March 31, 2021

Interest income	
Interest on loans	\$ 5,936,193
Interest on investments	61,542
	<hr/>
Total interest income	5,997,735
Dividend and interest expense	
Dividends on share accounts (Note 5)	373,835
Interest expense on borrowings (Note 7)	52,054
	<hr/>
Total dividends and interest expense	425,889
Net interest income	5,571,846
Provision for loan losses (Note 3)	261,617
	<hr/>
Net interest income after provision for loan losses	5,310,229
Non-interest income (Note 11)	2,161,159
Non-interest expense (Note 11)	7,309,515
	<hr/>
Net income	161,873
Change in unrealized gain on investments	(1,774)
	<hr/>
Comprehensive income	\$ 160,099

Supervisory Committee Report

The Supervisory Committee's primary responsibility is to ensure that the Credit Union's financial records are accurate and properly stated; that internal controls are effectively utilized to safeguard assets, and that the Credit Union is operating within the policies established by the Board of Directors.

To accomplish this task, the committee works with executive management and senior staff to ensure that all accounts are reconciled, and that member issues are being addressed.

The Supervisory Committee is also responsible for ensuring that a comprehensive annual audit is conducted. The most recent audit, performed by the independent CPA firm of Lillie and Company Incorporated of Sunbury, Ohio for the audit period ending in March 2021, rendered an unqualified opinion as expected, once again affirming that the credit union's financial statements "present fairly, in all material respects, the financial position...and the results of...operations and...cash flows...in accordance with accounting principles generally accepted in the United States."

The Supervisory Committee also works closely with the National Credit Union Administration (NCUA) which provides regulatory oversight to all Federal Credit Unions.

Also, the credit union has engaged the services of AUX Compliance to perform Bank Secrecy Act and Automated Clearinghouse reviews and to provide consulting advice on a myriad of regulatory matters.

Additionally, the credit union has continued our engagement with Trace Security, an information technology consulting firm which specializes in assisting the credit union in safeguarding member data from cyber-criminal activity.

It has been my privilege to serve as chairperson of the Supervisory Committee, and I am pleased to report that our reviews show that the credit union is being operated on sound financial principles with strong internal controls.

On behalf of the entire Supervisory committee, I commend the Board, Management, and staff for their dedication to keeping the credit union fiscally sound and competently managed.

Respectfully submitted,
Deepesh Randeri
Supervisory Committee Chair