



ANNUAL REPORT

2024



BOARD CHAIR'S REPORT

It remains an honor to serve as Board Chair and present an update on your Credit Union for 2024. First City continues to remain a strong and stable financial institution committed to being there for you, your family, and the communities we serve as you need us. In 2024, we proudly demonstrated our mission to empower your financial wellness through advice and advocacy. This was achieved by offering low-interest loans, high-interest savings options, new home and car assistance, financial education, and much more. Additionally, we have strengthened our relationships with key LA County Departments and Agencies through volunteerism and other support, ensuring we remain true to our heritage and continue to support the organizations that employ our members.

First City is proud to be recognized as one of America's Best Regional Banks and Credit Unions 2024 by *Newsweek* and Plant-A Insights Group. This recognition was earned through a large-scale study and rigorous scoring model based on the analysis of over 9,000 institutions, more than 70,000 customer surveys, and millions of social media reviews.

Rest assured that your money is safe at First City with deposits federally insured up to \$250,000 by the National Credit Union Administration. Federal and state examiners and regulators continue to categorize us as well capitalized, and, based on our financial strength, we maintain a 5-star rating from BauerFinancial (the highest rating possible). Thanks to you and other members like you who trust in a cooperative approach to banking, we remain one of the strongest financial institutions in Los Angeles County and beyond.

Here are just a few of the highlights from 2024:

- We began offering onsite financial literacy workshops at various hospitals and LA County offices, extending on our mission of financial advice and advocacy by offering guidance on budgeting, credit building, and long-term financial wellness.
- We supported the Los Angeles County Department of Public Social Services (DPSS) Toy Loan Program with a first of its kind Christmas in July toy drive to help replace

toys recently lost in a devastating fire. The toy drive drew media attention which helped secure donations from two large toy manufacturers collecting over 13,000 toys.

- We proudly celebrated and supported National Night Out with the Los Angeles County Sheriff's Department by participating in multiple events with many of the stations we serve, helped with school supply drives for DPSS and the Anderson Munger Family YMCA, and was the title sponsor for DPSS Funmania event.
- In true cooperative fashion, we co-hosted a blood drive at the Rose Bowl with another local credit union raising much needed donations for Children's Hospital Los Angeles. Additionally, we supported Children's Hospital Los Angeles Rideshare program strengthening community bonds, promoting public safety, and encouraging sustainable transportation.
- For our digital users, we refreshed our online and mobile banking interface to make it more modern and easier to use for our members.
- For our members with borrowing needs, we made changes to our guidelines and enhanced our team training in order to increase the percentage of loan approvals and help even more members.
- Finally, our branch leadership team earned their Financial Counseling Certification Program (FiCEP) designation to help deliver better financial advice and coaching.

As you can see, 2024 was an incredibly busy and successful year for your Credit Union! On behalf of the Board of Directors and Supervisory Committee—volunteers who safeguard your financial interests and ownership of our credit union—I offer you, our members and all the 114 First City staff, my heartfelt appreciation and gratitude. Together, we can be proud of the products and services we all enjoy and which enrich our lives now and for years to come.

DR. MICHAEL D. STEINBERGER
Chair, Board of Directors

Treasurer’s Report

The annual report to the membership contains First City Credit Union’s financial condition, income, reserves, and retained earnings for 2024.

Your money is safe and secure at First City Credit Union. Our members’ deposits are insured up to \$250,000. We undergo regular federal, state, and third party CPA and internal examinations. We are recognized for our safety and soundness and have received the highest score from BauerFinancial, the nation’s leading independent provider of ratings and analysis of financial services companies.

We are pleased to report the following 2024 financial highlights:

- Our Net Worth ratio, the measure of our capital reserves to maintain financial safety and soundness, was 13.83%. This ratio is well above peer averages and regulatory agency requirements.
- The Credit Union helped meet the borrowing needs of its members by granting \$100 million in loans in 2024. In addition, we purchased two participation loan pools totaling \$18 million. Our total loan growth was 6.11%, exceeding our peers.
- While we had strong loan growth, member deposit growth was at break even with 0.55% growth for the year. Total

deposits were \$773 million, compared to \$769 million in 2023. We have two outstanding borrowings from the Federal Home Loan Bank for a total of \$40 million. One \$20 million advance is due to mature in 2026 and the second \$20 million advance is due to mature in 2028.

- Assets were at \$888 million, a decrease of –2.01% compared to the prior year.
- Net Income for the year was \$4.2 million, which represents a Return on Member Assets of 0.46%.
- Loan quality continued to be strong with non-performing loans representing 0.58% of total loans. First City’s low level of loan delinquencies is a testament to you, our members.

We thank you for your loyalty to our mission of providing financially sound and ethical practices to earn and maintain your confidence and trust. We remain committed to you, our members, and are grateful of the support from the communities, sponsors, and members that we serve.

JOHN BENEDICT
Treasurer, Board of Directors

Supervisory Committee Report

The Supervisory Committee is pleased to report that the credit union is financially sound, and all records are kept according to generally accepted accounting standards. The Internal Audit Department conducted various branch and compliance audits with satisfactory results. In addition, our C.P.A. firm, Turner, Warren, Hwang, & Conrad conducted a formal independent audit of First City’s financial records and controls for the year ended

December 31, 2024 and found them to be consistent with regulatory and compliance standards. There were no material findings or concerns reported and they issued an unqualified opinion.

SIXTA NAVARRETE
Chair, Supervisory Committee

First City Leadership

Board of Directors

- Dr. Michael D. Steinberger** | Chair
Pomona College
- Christopher Anderson** | Vice Chair
Los Angeles County Chief Executive Office (Retired)
- Marisa Lopez** | Secretary
Los Angeles County Department of Human Resources (Retired)
- John Benedict** | Treasurer
Los Angeles County Sheriff’s Department (Retired)
- Carolyn Bernardez** | Director
Los Angeles County Department of Parks and Recreation
- Willa J. Glover** | Director
Los Angeles County Sheriff’s Department (Retired)

Supervisory Committee

- Sixta Navarrete** | Chair
Los Angeles General Medical Center
- Daniel Burke** | Member
SEIU (Retired)
- Redina Adams** | Member
Southern California Alcohol and Drug Program

Executive Management

- Nav Khanna** | President/Chief Executive Officer
- Lourdes Ruano** | EVP/Chief Financial Officer
- Sam Tate** | SVP/Chief Operating Officer
- Fred Perez** | SVP/Chief Lending Officer
- Lixa M. Anderson** | Chief Information Officer
- Royce Ngiam** | Chief Marketing Officer
- Mary Rubio** | Chief Human Resources Officer



GIVING BACK TO THOSE WHO SERVE



From backpacks for back to school and toy drives, First City loves giving back through partnerships with many different Los Angeles County Departments, especially those helping the youngest in our neighborhoods. For example, First City employees built 50 bikes that were donated to the Los Angeles County Department of Public Social Services Toy Loan program which were later distributed during the Christmas Holiday. If Santa looks familiar, that's Tom from Operations, First City Credit Union employee and dedicated volunteer!





FIRST CITY IN YOUR COMMUNITY



Founded by Los Angeles County Sheriff's Deputies and other Los Angeles County employees in 1937, First City celebrates the service and dedication of those that keep our community safe and running throughout the year. You'll often find the team from First City at various hospitals throughout Los Angeles County, visiting various County offices, and Sheriff's stations, providing financial education, program sponsorships, and even blood donations. Giving back to our community is in our DNA, it's a way of life at First City—and that includes volunteering at local high schools. Stop by and say 'hi' whenever you see First City showing up at your office, station, or classroom!

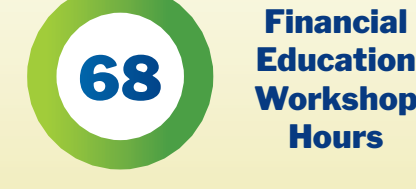
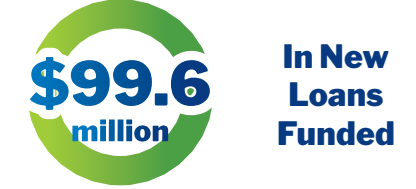
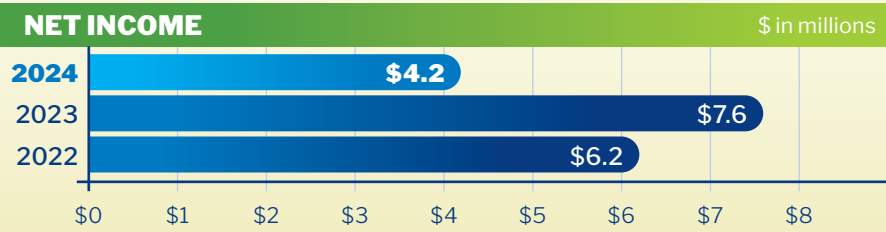
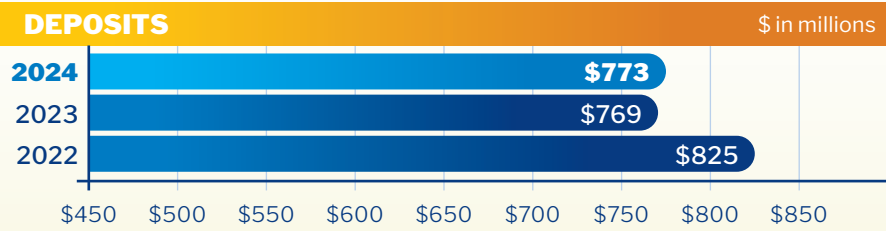
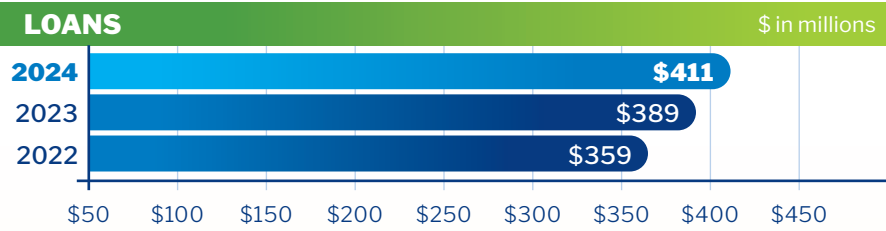
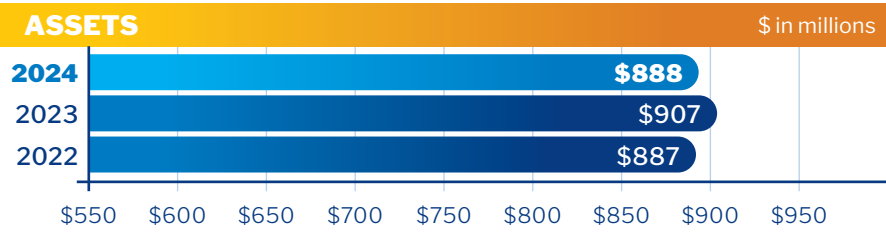
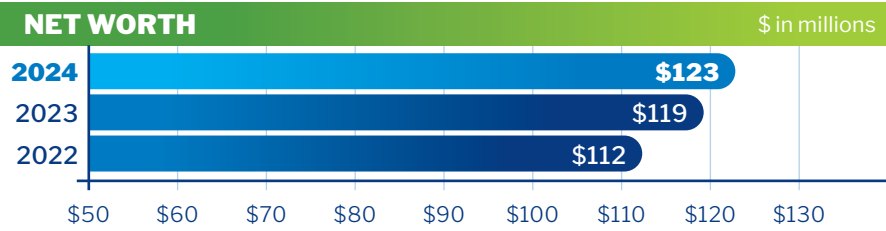


FIRST CITY BY THE NUMBERS

ASSETS	2024	2023
Cash and cash equivalents	\$ 91,028,891	\$ 97,829,974
Investments, net	324,062,411	359,574,895
Loans to members, net	410,706,904	388,618,761
Accrued income receivable	2,398,681	2,261,251
Property and equipment, net	15,543,420	16,371,957
NCUSIF deposit	7,073,372	7,356,849
Other assets	37,546,870	34,562,253
TOTAL ASSETS	\$ 888,360,549	\$ 906,575,940
LIABILITIES AND EQUITY	2024	2023
LIABILITIES		
Members' shares	\$ 773,364,852	\$ 769,160,409
Borrowed funds	40,000,000	70,000,000
Accounts payable and accrued expenses	8,815,403	12,397,977
Total liabilities	822,180,255	851,558,386
EQUITY		
Regular reserves and retained earnings	66,180,294	55,017,554
TOTAL LIABILITIES AND EQUITY	\$ 888,360,549	\$ 906,575,940

INCOME STATEMENT	2024	2023
INTEREST INCOME		
Total interest on loans	\$ 22,287,828	\$ 18,269,224
Total interest on investments	12,256,857	11,236,982
Total interest income	34,544,685	29,506,206
INTEREST EXPENSE		
Total dividends on member shares and cost of borrowings	\$ 7,921,978	\$ 4,765,678
Net interest income	26,622,707	24,740,528
Provision for loan losses	4,030,722	2,339,935
Net interest income after provision for loan losses	22,591,985	22,400,593
NON-INTEREST INCOME	7,867,860	7,816,647
OPERATING EXPENSES	26,254,572	24,372,614
NON-OPERATING INCOME/(LOSS)	(17,063)	1,734,722
TOTAL NET INCOME	\$ 4,188,210	\$ 7,579,348

FIRST CITY BY THE NUMBERS





Federally Insured by NCUA

800.944.2200 • firstcitycu.org