



HISTORY

In March 1939, our credit union was established and began operating under the name of Saginaw Municipal Employees Credit Union in the basement of City Hall. The initial field of membership served was our local police officers, fire fighters, City Hall employees and their immediate family members. We soon grew out of our space at City Hall and moved to a small house across the street, later to another small house on Washington Avenue, before moving to our current main office location on N. Michigan Avenue, in 1989.

In 2003, a community charter was approved, which granted the opportunity for anyone living, working or worshipping in Saginaw and Bay Counties credit union membership. To encompass our new field of membership, the credit union began operating under the new name of Family First Credit Union on August 1, 2003.

In October 2004, along with renovating our main office, we opened our first branch office at 6900 Midland Road in Freeland. Another charter expansion in October 2011, helped to increase our membership opportunities to include serving members in Midland and Genesee counties. In May 2013, we opened our second branch office located at 3550 Tittabawassee Road in Saginaw.

AGENDA

INTRODUCTIONS

ELECTIONS

BUSINESS MEETING

MINUTES FROM 2023 ANNUAL MEETING

REPORT FROM THE CHAIRMAN

REPORT FROM THE CEO

REPORT FROM THE TREASURER

SUPERVISORY COMMITTEE REPORT

CREDIT COMMITTEE REPORT

NEW BUSINESS

CREDENTIALS COMMITTEE REPORT

ADJOURNMENT

NUMBERS OF INTEREST

Members Strong 5,706

Amount of Loans made during the year \$13,329,167.91

Number of Loans made during the year 2,993

Total number of Loans since organization 163,117

Total amount of loans since organization \$568,190,633.44

OFFICIAL FAMILY

Staff

Autumn Bias – Member Service Supervisor
Lesia Bowens – Member Service Representative
Gabriyel Brazil – Member Service Representative
Sasha Colon – Member Service Representative
Carey Daubert – Freeland Branch Manager
Jessica Esparza – Member Service Supervisor
Michele Fayfer – Loan Officer
Connie Garstecki – Loan Officer
Lynette Greenwald – Account Specialist
Cathy Honeman – Loan Clerk
Lisa Honeman – Account Specialist
Alyssa Kapp – Member Service Representative
Alexis McKellar – Collections Specialist
Paula Meyer – Loan Officer
Amanda LaTarte – Collections Manager
Andrew Lough – General Maintenance
Tommi Lough – Chief Compliance Officer
Karin Nowak – Collections Specialist
Julie Pangborn – Card Services Specialist
Sabrina Schilling – Member Experience Manager
Janie Smith – Chief Executive Officer
Michelle Stanton – Member Service Representative
Julee Turner – Chief Lending Officer
Tracey White – Loan Officer
Pamela Winston – Loan Officer



Volunteers

Board of Directors

Maurice Patterson, Chairman
Ricardo Longoria, Vice Chairman
Joseph Turner, Treasurer
Sharon Doolan, Secretary
Timothy Genovese, Director
Rayunza Chism-Hood, Director
Patricia Jacob, Director
Dave Kendziorski, Associate Director
Shareka Martin, Associate Director
David Rupp, Director Emeritus

Supervisory Committee

Linda Burks-Jackson, Chairman
Michael Foust, Secretary
Floyd Kloc
Karl Primdahl
Tarsha Works

Credit Committee

Lori McGarrity, Chairman
Belinda Barlow-Poole, Secretary
Stephanie Harden
John Moton, Jr.
Buford Gaiter, Jr.

CREDIT COMMITTEE REPORT

The Credit Committee and Loan Officers have the responsibility of granting all types of loans subject to the policies set forth by the Board of Directors, Bylaws and the Department of Insurance and Financial Services, which governs the operation of the credit union.

Our Credit Committee meets on a weekly basis to review loans that fall outside our credit union policy or the Loan Officers lending authority. Members also have the ability to have a loan denial reviewed by the Credit Committee for approval consideration. The Credit Committee reviews these loans to evaluate the borrower's ability to repay the loan, review credit union policy and will make the final loan decision, which may include a counteroffer for approval.

The Credit Committee and Loan Officers continue to ensure that your deposits are being invested in quality loans. On behalf of the Credit Committee, I am pleased to report that during 2023 the credit union was here to service the needs of our members by approving 2,993 in loans to our members totaling \$13,329,167.91.

Lori McGarrity
Chairman, Credit Committee

CHAIRMAN MESSAGE

Family First Credit Union members/owners, congratulations on your 85 years of business and serving the communities of Saginaw, Kochville, Freeland and the surrounding communities in the Great Lakes Bay Region.

In recognition, I first would like to congratulate our past Chief Executive Officer, Fran Gibelyou on her 39 years of service and leadership. It has been an honor to work with you over the past years and witness your leadership skills as you lead a staff committed to supporting our members and their families, each and every day. Family First Credit Union strives to uplift those we serve, and with your leadership we accomplished just that. Fran, thank you for serving our credit union, first as Saginaw Municipal Employees Credit Union and now Family First Credit Union. Enjoy your retirement.

Now as we look to the future, we are certainly blessed to have a talented and numbers-oriented person in Jane Smith, our new Chief Executive Officer. Jane has been with Family First Credit Union for the past six years serving as our Chief Financial Officer. Because of her dedication and service to Family First and her 30 plus years of credit union experience, it was an obvious choice to promote her to the position of CEO.

This is a time of important transformation for Family First Credit Union. Our new CEO and Senior Leadership team are amazing. They are centered on first class service and bringing new products and services to you, our members. These changes will make your credit union experiences easier with our improved mobile app and will be launching a new and enhanced website to name a few.

The torch has been lit and the mantle has been passed. As we look forward, however proud we are of all that we have accomplished, we still know we have work to do to reach the goals we have for Family First Credit Union. We also know, we owe these successes to our team of dedicated management and staff, who continue to work every day with the best interests of our members in mind. We ask you, our members, for your continued trust and confidence, which leads and guides us. On behalf of the Board of Directors, thank you for allowing us to be your Trusted Financial Leader. Have a great 85th Annual Meeting.

Maurice Patterson
Chairman, Board of Directors

WELCOME FROM OUR NEW CEO

Dear Family First Credit Union Members,

It is with great pleasure that I extend a warm welcome to each of you for our 85th Annual Meeting. This gathering is a cherished tradition, a moment where our credit union family comes together to reflect on the past year's achievements, share insights, and look ahead to the promising future that awaits us.

As we navigate through the dynamic landscape of the financial industry, your trust and loyalty continue to be the driving force behind our success. Your commitment to Family First Credit Union empowers us to innovate, grow, and deliver exceptional financial services to meet your evolving needs.

This year's Annual Meeting is not just an event; it's a celebration of our collective achievements, a testament to the strength of our community, and an opportunity to connect with fellow members who share a common goal – financial well-being.

Thank you for being an integral part of the Family First Credit Union family. Together, we are building a brighter and more prosperous future for all.

Looking forward to celebrating our success with you!

Cheers,

Janie C. Smith



CEO, Family First Credit Union



SUPERVISORY COMMITTEE REPORT

The Supervisory Committee's responsibilities include selecting and engaging a CPA firm to audit the credit union books and perform all other internal audits that are required annually.

On a monthly basis, the Committee meets to review the internal controls and policies and procedures to ensure that all elected officials and management staff are carrying out their responsibilities in the best interest of the membership.

The Supervisory Committee has contracted with Financial Standards Group, Inc., to complete Family First Credit Union's 2023 CPA Audit which is scheduled for April 2024.

The State of Michigan's Department of Insurance and Financial Services has completed their 2023 examination of Family First Credit Union in the key areas of: Capital Adequacy, Asset Quality, Management, Earnings and Liquidity.

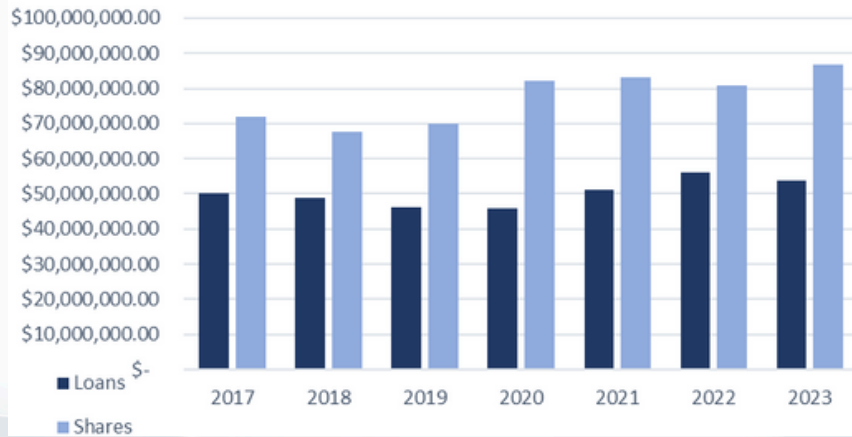
Your savings are federally insured to at least \$250,000 and backed by the full faith and credit of the United States Government, National Credit Union Administration, a U.S. Government Agency.

The credit union Bond Insurance coverage and other insurances carried by TruStage Insurance (formerly CUNA Mutual Group) of \$3.5 million for protection against any and all losses.

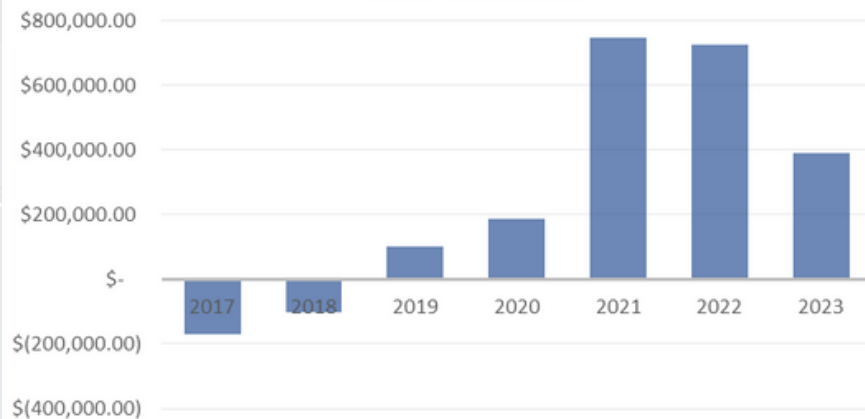
Linda Burks-Jackson
Chairman, Supervisory Committee

FINANCIAL CHARTS

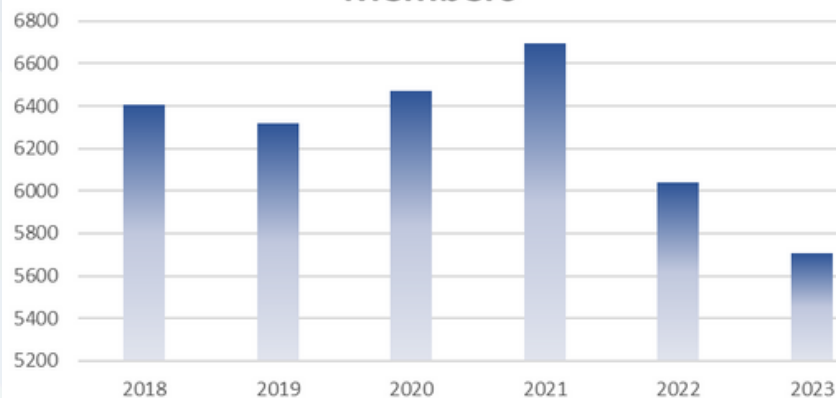
Member Loan and Deposit Balances



Net Income



Members



TREASURER REPORT

My report focuses on the fiscal health of the institution. The complexity of money management faced daily by our executive team is difficult at times. The team must be alert, determined, resilient and forward thinking to anticipate and prepare for risks they cannot control and by learning from past events. Just as changes in market interest rates, employment levels, wages, and inflation can eat up the value of your savings, it can also alter the value of the credit union's investments. It is a delicate art of setting interest rates low enough to attract borrowers, yet high enough to cover costs.

Operational challenges include rising utility costs, wages, increased service provider and legal and consulting service fees. Overall, Board members and staff focus on preparing for opportunities to grow financial health and to avoid financial risk. With challenges such as rapid changes in interest rates, we must figure out an appropriate response to identify trends and mitigate potential future challenges. When market changes occur that are damaging, or an unprecedented amount of loans default; a recovery plan is implemented. Change is inevitable and not all financial institutions can survive. Look at the names of banks, many cease to exist or have merged with others. Credit Unions are no different; mergers have resulted in a more than 20% reduction of institutions over a 10 year period. Given these conditions, we are in solid shape as a financial institution.

Some direct evidence of the fiscal health of your credit union comes from state oversight and consultant comments. Among the several sources available are McQueen Financial Advisors, Michigan's Dept. of Insurance & Financial Services (DIFS) and Financial Standards Group. Having listened and reviewed internal data, my report is Family First ranks well among its peer group. That is no small achievement and I consider that there is no current evidence of financial risk or instability. Capital adequacy, quality of its assets and their diversity is also fine. Overall "Earnings" achieved are good along with proper management of its liquidity. Family First leadership prepares for the future by exploring "what if" scenarios related to market risk from changing interest rates.

In addition to input from outside sources, certain "ratios" are monitored by management and the Board as indicators of fiscal health. They do fluctuate, however, overall, our Gross Income, Net Margin and Net Interest Margin were all often better than our peers. Our Return on Average Assets is healthy. The Net Worth Ratio is a fundamental measure of fiscal health, with ratio below 8% considered somewhat undesirable. Family First's Net Worth Ratio has been fluctuating between about 9% and 10%. My report is that Family First has grown fiscally stronger over the past years. Debt levels of many households are increasing, and our team has taken action to mitigate the potential for future loan defaults.

Maybe we can help make you fiscally stronger. Our staff is here to help you achieve your fiscal goals, lessen stress and to support you in times of economic challenge. If you are struggling financially, come in and let us help.

Joseph Turner - Treasurer, Board of Directors

STATEMENT OF INCOME AND EXPENSES

DECEMBER 2023 (UNAUDITED)

INCOME STATEMENT

LOAN INTEREST INCOME	\$3,445,919.98
INVESTMENT INCOME	\$745,830.09
FEE INCOME	\$122,876.88
OTHER INCOME	\$1,254,783.39
TOTAL INCOME	\$5,569,410.34

EXPENSE

COMPENSATION	\$1,352,171.55
EMPLOYEE BENEFIT	\$240,489.95
BOARD & COMMITTEE	\$43,843.49
TRAVEL & CONFERENCE	\$7,836.51
ASSOCIATION DUES	\$334,740.03
OFFICE OCCUPANCY	\$690,261.70
OFFICE OPERATIONS	\$88,614.68
EDUCATIONAL/PROMOTIONAL	\$311,870.58
LOAN SERVICING	\$629,555.46
PROFESSIONAL/OUTSIDE SERVICES	\$669,138.96
PROVISION FOR LOAN LOSSES	\$5,857.35
INTEREST ON BORROWINGS	-
SUPERVISION FEES	\$16,515.92
CASH OVER & SHORT	\$16,969.71
ANNUAL MEETING	\$13,250.00
MISCELLANEOUS	\$54,167.07
TOTAL EXPENSES	\$4,475,282.96

DIVIDENDS **\$657,233.25**

NON-OPERATING EXPENSES **(\$46,621.00)**

NET INCOME **\$390,273.13**

STATEMENT OF FINANCIAL CONDITION

DECEMBER 2023 (UNAUDITED)

BALANCE SHEET

LOANS	\$53,951,321.11
DEFERRED LOAN ORIGATION COSTS	\$74,904.74
ALLOWANCE FOR LOAN LOSSES	(\$974,821.82)
NET LOANS	\$53,051,404.03
CASH	\$10,969,904.47
INVESTMENTS	\$25,504,047.75
FIXED ASSETS	\$3,589,902.77
OTHER ASSETS	\$1,779,021.70
TOTAL ASSETS	<u>\$94,894,280.72</u>

LIABILITIES

ACCOUNTS PAYABLE & OTHER LIABILITIES	(\$365,954.91)
BORROWED FUNDS	-
TOTAL SHARES	(\$86,598,788.61)
REGULAR RESERVE	-
UNDIVIDED EARNINGS	(\$8,345,737.35)
AOCI	\$806,473.28
NET INCOME	(\$390,273.13)
TOTAL LIABILITIES & EQUITY	<u>(\$94,894,280.72)</u>

