FRIENDS & FAMILY CREDIT UNION

# 2024 Annual Report

Serving Stark County for Over 60 Years

Welcome to the 66th Annual Meeting

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## Board Chairman's Report

**As Board Chairman of Friends and Family Credit Union, I am pleased to report that our credit union had another successful year servicing our members' financial needs.**

During 2024, we maintained an asset size and loan portfolio that is sustainable with our capital increases. Capital grew at 5.50%, outpacing asset growth. Due to this, we saw an increase of 58 basis points in our Net Worth Ratio. We continue to grow every year in areas where we are most beneficial to our membership. Our capital grew over $433 thousand. As we grow, one of the most important things the Board is concerned about is our membership. We want to ensure we are serving our members in the best way possible, keeping that "relationship" with our members that has been crucial to our growth. We take our name, "Friends and Family," very seriously and try to help each member with a financial need.

As Board Chairman, I speak for all the Board members, and we are very proud of how our credit union team does such an excellent job for this membership. Obviously, you felt the same as we continued to grow during 2024.

In closing, I would like to thank all of you for the support you gave your credit union in 2024. I also would like to say a special thank you to the staff for continuing to provide great service to our members. Also, thank you to my fellow board members for all your work helping to make 2024 another successful year for your credit union.

**Jim Triner,**
**Board Chairman**

## Treasurer's Report

One of the Board's responsibilities is to verify the eligibility of each new member and review the monthly financial statements pointing out key financial ratios and comparisons from the previous year.

It is important that each member of the Board has an understanding of the financial reports so that sound decisions can be made at the monthly Board meetings. The Board meets for an annual strategic planning session to chart the course of the credit union once a year. The Board meets monthly and reviews financial reports that are used as decision making tools for the operations of the credit union.

I agree with the results of Maloney & Novotny audited financial statements included in your annual meeting brochure and believe that the credit union is in sound financial condition as of December 31, 2024.

**Melville "Bud" Maier,**
**Board Treasurer**

## Five Year Financial Summary 2024-2020

| Balance Sheet | 2024 | 2023 | 2022 | 2021 | 2020 |
|---|---|---|---|---|---|
| **Assets** | | | | | |
| Loans | 78,296,927 | 79,111,387 | 80,014,810 | 78,317,183 | 77,312,301 |
| Allowance for Loan Loss | (48,173) | (68,309) | (115,476) | (161,305) | (175,993) |
| Investments | 21,303,785 | 22,295,486 | 20,247,910 | 17,545,494 | 15,244,017 |
| Cash | 4,538,389 | 3,109,650 | 2,016,969 | 2,226,462 | 1,973,217 |
| Fixed & Other Assets | 3,246,031 | 3,210,122 | 7,467,289 | 7,359,591 | 7,352,936 |
| **TOTAL ASSETS** | **107,336,959** | **107,658,336** | **109,631,502** | **105,287,425** | **101,706,477** |

| Liabilities & Equity | | | | | |
|---|---|---|---|---|---|
| Regular Shares | 41,456,207 | 41,385,626 | 45,036,344 | 43,289,384 | 38,373,079 |
| Checking Accounts | 15,964,494 | 16,117,593 | 16,874,204 | 15,278,554 | 14,346,268 |
| Certificates & IRA's | 26,760,223 | 26,150,928 | 19,654,551 | 18,768,481 | 22,871,850 |
| Money Markets (NOW) | 14,308,026 | 13,660,821 | 17,820,372 | 18,642,029 | 16,933,140 |
| **Total Deposits** | **98,488,950** | **97,314,969** | **99,385,471** | **95,978,448** | **92,524,337** |
| Other Liabilities | 536,452 | 2,465,253 | 2,769,956 | 2,168,764 | 2,166,323 |
| Net Worth | 8,311,557 | 7,878,114 | 7,476,075 | 7,140,213 | 7,015,817 |
| **Total Liabilities & Net Worth** | **107,336,959** | **107,658,336** | **109,631,502** | **105,287,425** | **101,706,477** |

| Income Statement | 2024 | 2023 | 2022 | 2021 | 2020 |
|---|---|---|---|---|---|
| **Income** | | | | | |
| Loan Income | 3,897,574 | 3,344,280 | 2,683,614 | 2,864,945 | 3,123,768 |
| Investment Income | 670,971 | 612,378 | 261,549 | 97,121 | 106,467 |
| Misc Operating Income | 1,357,212 | 1,393,036 | 1,446,775 | 1,231,526 | 1,121,559 |
| **Gross Income** | **5,925,757** | **5,349,694** | **4,391,938** | **4,193,592** | **4,351,794** |
| **Expenses** | **2024** | **2023** | **2022** | **2021** | **2020** |
| Dividend and Interest Expense | 1,463,586 | 969,822 | 283,092 | 288,174 | 529,259 |
| Operating Expenses | 4,082,372 | 3,944,324 | 3,745,599 | 3,737,491 | 3,530,586 |
| Provision for Loan Loss | 37,020 | 33,521 | 49,650 | 6,832 | 140,453 |
| **Total Expenses** | **5,582,978** | **4,947,667** | **4,078,341** | **4,032,498** | **4,200,298** |
| Net Operating Income | 321,522 | 402,027 | 313,597 | 161,094 | 151,496 |
| Non-Operating Gains/(Losses) | - | - | (26,567) | (19,823) | (18,304) |
| **Net Income** | **321,522** | **402,027** | **287,030** | **141,271** | **133,192** |

| Ratios & Statistics | 2024 | 2023 | 2022 | 2021 | 2020 |
|---|---|---|---|---|---|
| Number of Members | 9,952 | 10,023 | 10,194 | 10,507 | 10,931 |
| Net Worth / Assets | 8.14% | 7.72% | 7.22% | 7.15% | 7.28% |
| Return On Assets (ROA) | 0.30% | 0.37% | 0.27% | 0.14% | 0.14% |
| Net Interest Margin / Avg Assets | 3.10% | 2.99% | 2.71% | 2.58% | 2.78% |
| Delinquency Ratio | 0.24% | 0.16% | 0.18% | 0.20% | 0.30% |
| Loans / Shares | 79.14% | 80.91% | 80.51% | 81.60% | 83.56% |
| Loans / Assets | 72.62% | 73.13% | 73.08% | 74.38% | 76.02% |

## Services

### Family Advantage

There are benefits to being Family.
Family Advantage offers 4 tiers to the members of your household based on your combination of loans, deposits, and investment balances.

### Savings Accounts

Friends & Family Credit Union has a Savings Account for you! We offer a variety of accounts to meet your savings needs

KASASA Saver
Share Savings Account
Money Market Account
Share Certificates of Deposit
IRA Certificates
Christmas Account

### Checking Accounts

We know that a good checking account is important. That's why we offer:

KASASA Cash Back Checking
Family Secure Checking with ID Protect
Classic Family Checking
Mastercard Debit Card
Overdraft Privilege
Teen Debit Card

### Platinum rewards mastercard

### Account Access

We know that your time is important. That's why we offer several ways for you to access your Friends & Family Credit Union accounts via telephone or Internet.

Mobile Banking
Online Banking
ART - Audio Response Teller
MC Online Access
FREE Online Bill Pay
Direct Deposit/Payroll Deduction
E-statements
Shared Branching
Surcharge-Free ATM Network
Digital Wallet
Tokenized Cards
Apple Pay

### Loans

Mortgage Loans
Home Equity Line of Credit
Home Equity Loans
New and Used Vehicle Loans
Boat and Motorcycle Loans
RV Loans
Savings Secured Loans
Signature Loans

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FRIENDS & FAMILY
CREDIT UNION

## CEO Report-2024

**Friends & Family Credit Union has committed to providing financial services that best fit our community for over 65 years. From savings, checking, money market accounts, IRA's and Certificates, and multiple loan possibilities, we are dedicated to providing our community of friends and family with the financial services and tools they need for everyday life.**

At Friends & Family, we are all so thankful for the support and commitment of each member we have served over the years. Since our establishment in 1958, Friends & Family Credit Union has evolved and grown, adapting to the changes in the credit union marketplace – and as always, the membership has been the driving force behind our success.

We had another great year in 2024 as we grew in capital, allowing us to bring in new products and services that meet the needs of today's marketplace. We launched our new Digital wallet, tokenized cards, Apple Pay, messaging, and more with our online and mobile banking including credit monitoring and analysis. We also launched our new secure and user-friendly website where you can find information about our products and even apply for a loan.

For those who have not yet added your cards to your mobile wallet, log into our mobile app and check out the cards section. It is fast and easy to do. You can track your daily transactions, even turn your cards on and off, and enter your travel notice. It makes transactions quicker and much more secure than carrying a physical card. For those that prefer the physical card, look for new tap-n-go credit and debit card plastics this year. We are excited at the tremendous opportunities that lie ahead as we move into 2025.

Your membership will always be the top priority to our success, and our team here is eager to continue this journey together. It is my goal to continue growing this credit union and delivering better experiences and services for every member. The driving force behind all Credit Unions is **"People Helping People."** We take great pride in that as it is **"the credit union way."** We are building new relationships every day. That is what I am most proud of. We appreciate your support because, without it, we could not provide the services you want and need. So, thank you again for your membership.

I want to thank my team here at Friends and Family, who, again, were FANTASTIC in the way they approached and handled the changes, projects, and challenges that took place in 2024. They are 100% supportive, and I am incredibly lucky to have led such a great team of individuals.

I also want to thank the Board of Directors for helping chart the course of this credit union. They have been supportive of the ideas I bring to them, and they are very aware of the operations and decisions that need to be made to meet the financial needs of our members. We are extremely fortunate to have them, as they dedicate themselves to a voluntary position and serve the membership diligently. Thank you again for your membership and commitment to FRIENDS & FAMILY CREDIT UNION.

With gratitude and appreciation,
**Jeanna Costanzo**
**President/CEO**

## Board of Directors

**James Triner**
Chairman

**Melville "Bud" Maier**
Treasurer

**Bill Hamit**
Director

**Michael Ziegelhofer**
Director

**Mike Loudiana**
Vice Chairman

**Gary Lucas**
Secretary

**Timothy A. Ross**
Director