

ANNUAL REPORT 2022

Members | Employees | Community



2022

YEAR IN REVIEW

IMPERIAL VALLEY PRESS
READERS' CHOICE

Best Credit Union



AVERAGE BRANCH RATING

4 Star Google Rating



INCREASED NET
PROMOTER SCORE (NPS)



71 in member satisfaction

A SCORE HIGHER THAN 70 IS CONSIDERED
'WORLD CLASS' MEMBER SATISFACTION

-INC. DANA SEVERSON

IMPERIAL PARADE OF LIGHTS

Grand Marshall Award



EL CENTRO CHRISTMAS
PARADE

1st place in Business Category

Unmatched Dedication

Chairman & CEO's Report

As we reflect on the major projects and accomplishments of 2022, we can proudly state that it was another great year for First Imperial Credit Union. We celebrated our 80th anniversary, an achievement that demonstrates the commitment from our Board of Directors to make strategic decisions, solid business plans from management, a hard-working team of employees, and a loyal and active membership.

Some of our other notable improvements included the implementation of a loan payment platform, Bank Secrecy Act compliance and management software, an enhanced loan application platform with automated decisioning for faster approvals, improved back-office technology, and a reorganization to better serve our members and employees.

Financially, we exceeded our budgeted net income projections by 65% and had a banner year in loan growth at 24%. We were very proud to have won for the second year in a row the Imperial Valley Press Readers' Choice Award for Best Bank/Credit Union. In addition, our member satisfaction survey yielded a net promoter score of 71, which is much higher than the financial industry average score of 46.

We are very proud of the direction the credit union is heading and the steps we have taken to get us there. With everything that we have accomplished, we know that there is always more that we can do and will do. We know that this success is dependent on maintaining an intentional focus on our resources.

We will do this by actively living our purpose and culture which are centered on serving our members, supporting each other, and strengthening our community. In addition, we will continue building new business partnerships, working with our communities, and being innovative to create products and services that fit our members' unique needs.

On behalf of the Board of Directors and team at First Imperial Credit Union, we thank you for your trust, loyalty, and membership. We look forward to an exciting and successful 2023!



Christopher Petree
Board Chairman



Fidel Gonzalez, CCE
President/CEO

Our Board of Directors

Christopher Petree, CHAIRMAN

Victor Torres, VICE-CHAIRMAN

Katie B. Luna, TREASURER

Michael Campbell, SECRETARY

Alexis Araujo, DIRECTOR

Dr. Victor M. Jaime, DIRECTOR

Dr. Kathleen Lang, DIRECTOR

TOGETHER WE CAN DO SO MUCH



GIVING BACK TO OUR COMMUNITY

First Imperial Credit Union employees participated and supported various organizations throughout the community including:

- 4-H and FFA Clubs of Imperial Valley
- Boys and Girls Club
- Calexico Police Department: Kids N Badges
- Cancer Resource Center of the Desert
- Cody's Closet
- Dee's Rescue
- Farmworker Services Coalition of Imperial County
- Imperial County Office of Education Foundation
- IV Cancer Support Center
- Imperial Valley College Foundation
- Imperial Valley Regional Occupation Program Foundation
- MANA de Imperial Valley
- National Safety Council ICOS
- Red Shoe Day
- SDSU IV Food Pantry
- and more!

Treasurer Report

First Imperial Credit Union remained financially strong in 2022. For the year ending 2022, our total assets grew 1.26% to \$184,124,440, deposits ended at \$154,263,056 and net loans ended at \$127,013,212. Our membership grew to 21,294 a number which continues to increase. Net income for the year was \$2,219,343 which gave us an ROA (Return on Assets) of 1.26% that is higher compared to our peers that stand at 0.70%. Overall, 2022 was proven to be a sound and impactful year for FICU.

The Board of Directors and senior management team have worked together closely to ensure that we remain a well-capitalized credit union with a net worth to total asset ratio of 12.31% as of year-end 2022. This ratio, established by the NCUA (National Credit Union Administration), sets the minimum allowable capital level for “well-capitalized credit unions” at 7%. First Imperial Credit Union continues to exceed this requirement.

Thank you for the trust you place in First Imperial Credit Union. We look forward to being your financial partner for many years to come.

Consolidated Income Statements

Year Ended December 31, 2022 and 2021

INTEREST INCOME	2022	2021
Loans Receivable	\$6,682,696	\$6,230,049
Investments	\$388,103	\$263,496
Loans Participations	\$43,754	\$45,884
TOTAL INTEREST INCOME	\$7,114,553	\$6,539,429
INTEREST EXPENSE		
Dividends on Share/Savings Accounts	\$491,421	\$690,264
Borrowed Funds	\$63,654	\$102
TOTAL INTEREST EXPENSE	\$555,075	\$690,366
NET INTEREST INCOME		
Total Net Interest Income	\$6,559,478	\$5,849,063
PROVISION FOR LOAN LOSSES		
Provision for Loan Losses	\$435,414	\$(231,360)
NET INTEREST INCOME AFTER PROVISION FOR LOAN LOSSES		
Net Interest Income After Provision for Loan Losses	\$6,124,064	\$6,080,423
NON-INTEREST INCOME		
Service Charges	\$2,298,865	\$1,740,952
Card Income	\$603,463	\$512,054
Commission Income	\$334,286	\$267,936
Other non-interest income	\$153,825	\$530,065
Gain on disposition of premises/equipment, net	\$11,639	\$19,146
CDFI Grant Revenue	\$0	\$1,826,265
TOTAL NON-INTEREST INCOME	\$3,402,078	\$4,896,418
NON-INTEREST EXPENSE		
Compensation and Benefits	\$3,823,428	\$3,168,382
Office Operations	\$2,047,398	\$1,752,205
Office Occupancy	\$565,086	\$526,519
Professional and Outside Services	\$309,104	\$290,613
Equity/Trading securities losses, net	\$263,854	\$0
Education and Promotion	\$155,916	\$128,333
Loan Servicing	\$142,013	\$148,225
TOTAL NON-INTEREST EXPENSE	\$7,306,799	\$6,014,277
NET INCOME		
Total Net Income	\$2,219,343	\$4,962,564

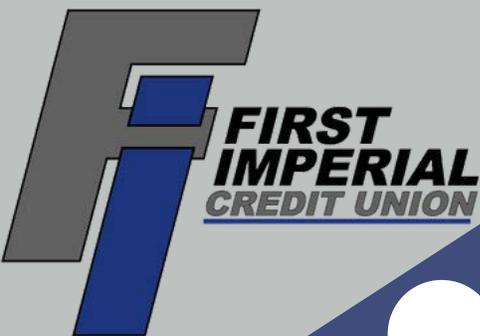
Consolidated Balance Sheets

Year Ended December 31, 2022 and 2021

ASSETS	2022	2021
Cash and Cash Equivalents	\$12,910,646	\$24,594,153
Equity Securities	\$907,197	\$1,116,158
Trading Debt Securities	\$1,893,831	\$1,975,280
Available-for-sale Debt Securities	\$2,282,054	\$1,187,009
Held-to-maturity Debt Securities	\$6,998,698	\$2,998,073
Other Investments	\$16,172,702	\$33,168,702
Loan Receivable net of allowance for loan losses	\$127,013,212	\$101,929,230
Accrued Interest Receivable	\$425,232	\$342,474
Premises and equipment, net	\$7,234,499	\$7,328,250
National Credit Union Security Insurance Fund Deposit	\$1,475,711	\$1,406,454
Asset acquired in liquidation	\$60,821	\$0
Other Assets	\$6,749,837	\$5,766,104
TOTAL ASSETS	\$184,124,440	\$181,811,887
LIABILITIES		
Member Share/Savings Accounts	\$154,263,056	\$160,071,226
Borrowed Funds	\$5,430,000	\$0
Accrued Expenses and Other Liabilities	\$2,231,654	\$2,314,894
TOTAL LIABILITIES	\$161,924,710	\$162,386,120
EQUITY		
Undivided Earnings	\$22,667,502	\$20,595,642
Accumulated Other Comprehensive Loss	\$(467,772)	\$(1,169,875)
TOTAL EQUITY	\$22,199,730	\$19,425,767
TOTAL LIABILITIES AND MEMBERS EQUITY		
Total Liabilities and Members Equity	\$184,124,440	\$181,811,887



Katie B. Luna, Treasurer



A View into 2022



21,294 Total Memberships



1,656
New Checking
Accounts



356,230
Transactions



2,954
New Savings
Accounts



Social Media Insights



3.3K Likes



1.2K Following



5.8K Views

Follow us @firstimperialcu



Loan Growth



Membership
Growth



\$52M in Auto Loans



1,439 Auto Loans



4,295 Personal Loans

Online Banking Stats



- 12,513 Chats Received
- 16,191 Users
- 80% average chat reply of approximately 1 minute



\$184M Assets

Financial Stability

Supervisory Committee Report

The supervisory committee's role is to maintain oversight of the safety and soundness of the credit union. Operating independently of all entities at the credit union, we review practices and procedures followed by staff to verify that management carries out the policies set by the Board. The Department of Financial Protection and Innovation (DFPI) and the National Credit Union Administration (NCUA) examine the credit union on a regular basis; the supervisory committee reviews the results and follows up with senior management on any action items identified in the report to ensure compliance with applicable laws and government regulations.

The committee reviews quarterly financial reports and conducts ongoing operational audits. Annually we engage an independent certified public accounting firm to perform an opinion audit that evaluates accounting controls, financial statements and verification of members' accounts. For the fiscal year ending December 31, 2022, Nearman, Maynard, Vallez conducted the 2022 audit of FICU.



Carlos Fletes
Supervisory Committee Chairman

After the audit was completed, the CPA firm felt that the credit union followed all accounting rules appropriately and that the financial reports are an accurate representation of our financial condition.

The supervisory committee would like to report that FICU continues to maintain a high level of financial stability. I would like to express my gratitude to our dedicated Supervisory Committee volunteers. On behalf of the Committee, I would like to extend our appreciation to all the employees of First Imperial Credit Union and its Board of Directors, for their ongoing efforts to ensure the safety and soundness of the credit union.

Supervisory Committee

Carlos Fletes

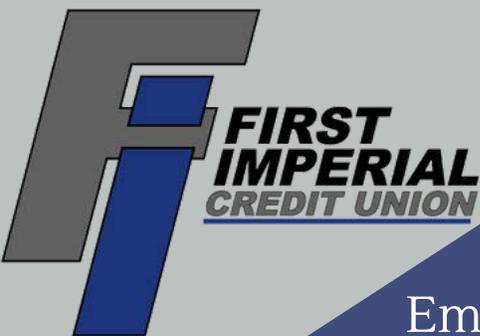
CHAIRMAN

Steve Escalera

COMMITTEE MEMBER

Dawn Chun

COMMITTEE MEMBER



Meet the Team

Management

Fidel Gonzalez
PRESIDENT/CEO

Moises Lopez
IT MANAGER

Cuauhtemoc De La Torre
EXECUTIVE VICE PRESIDENT/CFO

Evangelina Loya
HR/COMPLIANCE MANAGER

Jorge Alcantar
CHIEF OPERATIONS OFFICER

Dulce Luna
LENDING MANAGER

Marlena Rascon-Renteria
CHIEF EXPERIENCE OFFICER

Roberto Martinez
CONTACT CENTER MANAGER

Lupita Agbalog
CALÉXICO MANAGER

Frank Ornelas
LOAN SERVICING MANAGER

Angelina Araujo
BRAWLEY MANAGER

Alejandra Puentes-Fierro
IMPERIAL MANGER

Sergio Jimenez
EL CENTRO MANAGER

Veronica Yee
ACCOUNTING MANAGER

Employees

Diego Anchondo
Abril Barajas
Olga Betancourt
Gracie Bueno
Alfonso Cabrera
J. Gabby Castanon
Maximiliano Castro
Rosemary Cornejo
Johnny Escalante
Shantelley Estala
Zerlina Fernandez
Janelle Frazier
Jovita Galindo
Kimberly Godoy
Zinani Hampton
Joseph Hazen
Brian Hernandez
Ared Herrera
Sandra Ibarra
Luis Iniguez
Laila Jimenez

Ashley Lara
Jessica Leon
Mayra Luna
Cesar Martinez
Sofia Mendoza
Carmelita Mellin
Robert Morlet
Vicente Munoz
Jessica Ortega
Alyssa Ponce
Rodrigo Ponce
Samantha Reyes
Cinthy Rivera
M. Veronica Rosales
Brenda Ruvalcaba
Kyara Soto
Adriana Tadeo
Ivana Torres
Bailey Villa
Claudia Villamar
Paola Zazueta

