



2022
Annual Report





90 years
of people helping people



\$1.278 billion
in total assets



62,745
total members



7,708 members
jump started their savings
with a new certificate



48,849 consumers
benefited from our
MoneyWise articles



Helped **540** members
protect their identity at six
document shredding events



Filled **41** barrels of food as
Alameda County Community Food
Bank's 2022 Food Drive Host



22% of employees were
promoted or provided a
new opportunity



4 years selected
as a Top Workplace

2022

President's Message

1st United celebrated our 90th year as a financial cooperative in 2022. Whether you are just joining us or have been a member for many years, I would like to thank you for continuing to support the Credit Union and am happy to share an overview of a few of the ways we supported our membership this past year.



Membership and Mobile

In 2022, we welcomed 5,810 new members, and over 1,300 of those were referred by existing members. The trust members place in us by referring their friends and family is the greatest compliment we can receive. Thank you.

We also found 2022 to be a year of transition as we continued to live with and operate through the pandemic. Members embraced mobile and online banking more than ever, reserving branch visits for those activities that can't be performed online. In fact, 72% of members are registered users and use online and mobile banking to check balances, deposit checks, transfer money, pay bills, and more.

Continuing to Protect Members

Our obligation to safeguard member data remains a top priority. For several years, we have received the highest rating from two independent audit firms, indicating an exemplary level of security.

Along with protecting member data, we have continued with a concerted effort to protect our members from fraud. We're pleased to see that debit and credit card transaction fraud decreased last year by over 30% due to an investment in fraud detection systems and a focus on staff and member education.

Supporting Financial Health

To help members reach their financial goals, we remained committed to offering competitively-priced products with a focus on keeping banking simple. In 2022, we helped members reach their savings goals by raising certificate rates by over 400%, with rates now close to four percent. We also made over 7,900 loans to members with loan balances over \$400 million.

Good Neighbor

As a local organization, we believe in helping our community. 2022 was our 10th year partnering with Alameda County Community Food Bank and the Oakland A's Community Fund for Homeruns for Hunger. Through the partnership, we donated a combined \$30,000 to the Food Bank this year. Members and staff donated hundreds of toys and almost \$3,500 to the Food Bank and Toys for Tots as part of our holiday drive. And we were highly honored to be selected as a food drive host for Alameda County Community Food Bank, with food drop off locations at our branches. In part due to 41 barrels of food collected this year, we have been invited to host the food drive again in 2023.

As a financial cooperative, 1st United is owned by its members and we wouldn't be 1st United without all of you. I'd like to thank those who were with us in 2022. And a big thank you to the 1st United staff who work hard every day to help make members' lives better.



Steve Stone
President and Chief Executive Officer

Chairman's Report

1st United celebrated their 90th anniversary in 2022. Since its inception, the Board of Directors has remained committed to keeping the assets of our members and the Credit Union safe and secure.

With this principle in mind, it is my pleasure to report the continued success of 1st United Credit Union. We finished the year strong with \$1.278 billion in assets while raising certificate rates to support our members' financial growth.

We are committed to continuing the growth and evolution of 1st United as a strong credit union positioned for success. We continue to look for new ways to serve your financial needs through technological enhancements and product offerings while maintaining our commitment to delivering each member the highest level of service and individual experience possible.

On behalf of the entire Board of Directors, I thank each of you for your membership. Please help us by continuing to spread our name and the value Credit Union membership provides to your family, friends, and neighbors.

Howard T. "Bud" Garrigan
Chair, Board of Directors



Supervisory Committee Report

1st United Credit Union's volunteer Supervisory Committee ensures that an annual audit of financial statements takes place and monitors internal controls in order to safeguard member assets.

In 2022, the Supervisory Committee engaged an independent audit firm to perform the financial audit. The results of the audit were favorable and determined 1st United Credit Union to be safe and sound in policy and practice. The audit, conducted in accordance with Generally Accepted Accounting Principles (GAAP), indicated that 1st United Credit Union remains strong and financially stable.

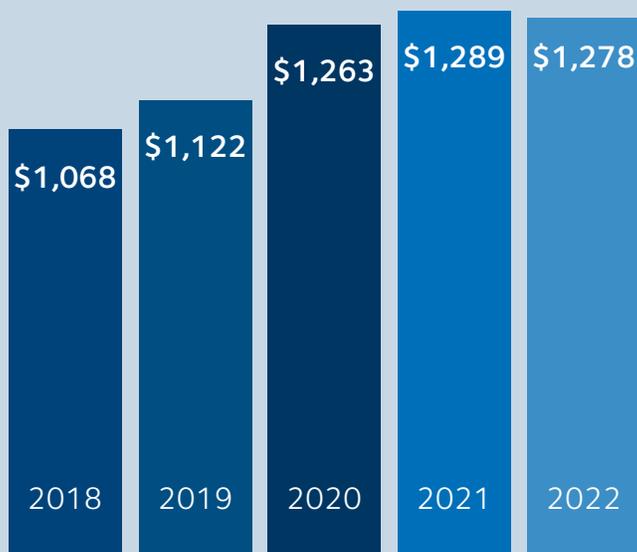
Crystal Hishida Graff
Chair, Supervisory Committee

Treasurer's Report

The Treasurer of 1st United Credit Union oversees and ensures the accuracy of the financial reports as presented to the Board of Directors by the management of the Credit Union. 1st United Credit Union continued to grow and gain financial strength. Total year-end assets for 2022 were \$1.278 billion. I am confident that 1st United will continue its great tradition of service to its members within the framework of financial strength and stability.

Steve Manning
Treasurer, Board of Directors

Total Assets (\$ Millions)



Comparative Balance Sheet

ASSETS	2021	2022
Loans, Net	\$ 795,602,276	\$ 881,001,294
Cash	121,659,010	83,486,883
Investments	346,218,562	284,451,401
Building and Land	4,449,253	4,095,625
Other Fixed Assets	3,994,910	3,093,959
Other Assets	16,962,902	21,474,280
Total Assets	\$ 1,288,886,913	\$ 1,277,603,442
LIABILITIES		
Regular Shares	\$ 358,032,445	\$ 349,532,465
Share Drafts	207,686,039	203,433,484
Money Market Account Shares	299,166,383	258,499,944
Share Certificates	304,838,568	336,908,908
Total Shares	\$ 1,169,723,435	\$ 1,148,374,801
Other Liabilities	3,831,019	30,439,470
Total Liabilities	\$ 1,173,554,454	\$ 1,178,814,271

Operating Income Statement

INCOME	2021	2022
Loan and Visa Income	\$ 29,544,162	\$ 30,315,188
Income From Investments	3,020,792	6,553,682
Other Operating Income	7,808,774	7,536,707
Gross Income	\$ 40,373,728	\$ 44,405,577
INTEREST EXPENSE	\$ 6,101,243	\$ 5,457,195
OPERATING EXPENSES AND PROVISION FOR LOAN LOSS	\$ 30,339,873	\$ 31,286,146
NET INCOME	\$ 3,932,612	\$ 7,662,237

EQUITY AND RESERVES

Unrealized Investment Gains/(Losses)	\$ (3,319,852)	\$ (27,525,377)
Undivided Earnings	118,652,311	126,314,548
Total Capital & Reserves	\$ 115,332,459	\$ 98,789,171

TOTAL LIABILITIES, EQUITY AND RESERVES	2021	2022
Total Liabilities, Equity and Reserves	\$ 1,288,886,913	\$ 1,277,603,442
Return on Average Assets	0.31%	0.60%
Net Worth Ratio	9.21%	9.89%
Asset Growth	2.05%	-0.88%

Board of Directors

Howard T. "Bud" Garrigan
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Dave Macdonald
Vice Chair

Teresita M. Lauigan
Secretary

Steve Manning
Treasurer

Cyril Bonanno
Director

Joan Johnson
Director

Susan Muranishi
Director

Patrick O'Connell
Director

Veleta Savannah
Director

Supervisory Committee

Crystal Hishida Graff
Chair

Kevin Powers
Secretary

David Budde
Committee Member

Len Herrero
Committee Member

Cecelia Leon
Committee Member

Management Team

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President & Chief Executive Officer

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Chief Lending Officer

Derrick Fortier
Chief Retail Officer

Lynell Fraley
Chief Human Resources Officer

Ganga Radhakrishnan
Chief Financial Officer

Joanna Uhl
Chief Information Officer



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