

# ANNUAL REPORT 2020



Members



Employees



Community



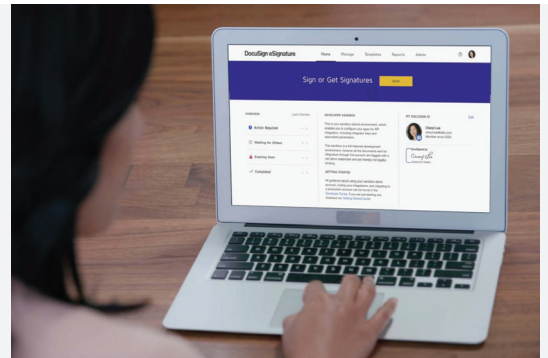
# Navigating Challenges *with Purpose*

# 2020 *in review*



Doors open to serve members at the relocated Brawley Branch in the Walmart shopping center. Led by Branch Manager, Angie Araujo, who has been on the FICU team for more than 20 years.

DocuSign is made available for members to electronically fund their loan documentation adding convenience and adhering to social distancing safety protocols.



The new digital banking suite launches to enhance the experience of online account access. New site and mobile app feature more transfer options, member support via chat, refreshed user interface and more.

Instant Issue Debit Card service available at all branches to make banking with us easier and giving you faster access to your funds.



**INSTANT ISSUE DEBIT CARDS**

Never wait to get your new Debit Card or replace a lost or damaged debit card again!

# An Enduring Commitment

Our 79th year of business was unlike one we have experienced and challenged us to navigate through a pandemic, digitally adapt to new ways of banking, and lead our team with resiliency and dedication. We appreciate the support we received through the operational changes we implemented to safely serve our members including operating primarily via drive-thru and contact center, online appointments, and lobby service protocols. Our priority was to be available for our members for account access whether through digital or in-person means. In spite of the many challenges, we remain proud of last year's successes and continue with our purpose to provide great banking services with a member-focused experience.

To assist our members alleviate the financial burden placed on them as the result of the pandemic, FICU offered a Member Assistance Loan, allowed additional loan deferments, expanded our loan workout program, and waived fees for many services. Making these options available to members was an important step for us to take in order to let our members know that they can rely on us when they need it most.

Supporting a strategy to expand our digital services and offer more accessibility for account management, we introduced the new digital banking suite with added benefits and features including member-to-member and external transfers. In addition, we added electronic signature capability for loan funding which enabled us to better assist members remotely. A practice which at its inception was done out of necessity, has now enabled us to assist our members with much more convenience.

Last year brought forth a chance to give back to our community in new ways. To support the healthcare providers and first responders working around the clock, we provided lunch for multiple local entities. We donated more than \$30,000 to organizations such as the food bank for the increased need for food assistance in the county, support of the families and victims of the Niland fire in late June, and other non-profit organizations that provided direct assistance to our community.

Our credit union brought 2020 to a close with operational and financial success. Standing at a membership of nearly 20,000, we will continue to enhance our initiatives to broaden our community reach and adapt to new models of banking all while providing a positive and impactful experience.

We appreciate your membership and look forward to a successful and productive 2021.

Sincerely,



Dr. Kathleen Lang  
Board Chairwoman



Fidel Gonzalez, CCE  
President/CEO



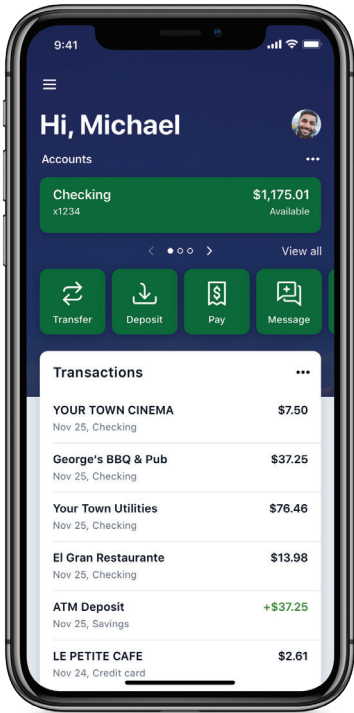
## More than \$30,000 contributed to our community



### First Imperial Credit Union employees participated in, or supported various organizations throughout the community including:

- 4-H and FFA Clubs of Imperial Valley
- Farmworkers Appreciation Parade
- Brawley Elks Club
- Brawley Feed the Need
- Brown Bag Coalition
- Calexico Police Department: Kids N Badges
- Cancer Resource Center of the Desert
- El Centro Moose Lodge
- El Centro Regional Medical Center Foundation
- Girl Scouts of Imperial Valley
- Humane Society of Imperial County
- Imperial County Office of Education Foundation
- Imperial Valley Cancer Support Center
- Imperial Valley College Foundation
- Imperial Valley Food Bank
- Imperial Valley Wellness Foundation
- Red Shoe Day
- Soroptimist International of El Centro
- Sure Helpine of Imperial County
- United Way of Imperial County
- Womanhaven, A Center for Family Solutions





Online Banking Users  
**11% increase**  
8,891 total



**4.8★ rating**  
on App Store



Social Media  
2,946 Likes on Facebook  
1,063 Instagram Followers  
Follow us @firstimerialcu

**\$1,196,921.51**  
deposited using  
Mobile Deposit  
feature



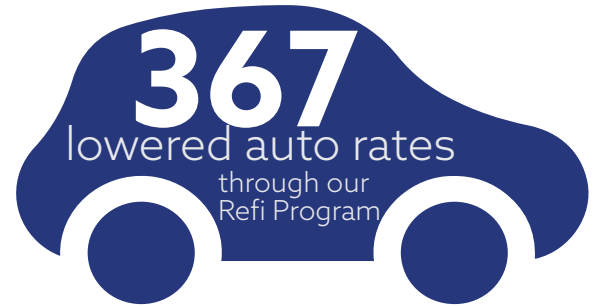
**1,307**  
new checking  
accounts



**8,172**  
members  
receiving  
eStatements



**3,183**  
Bill Pay users



**348,522**  
transactions



928 Autos



15 Real Estate



3,311 Personal

**\$34 million**  
funded loans

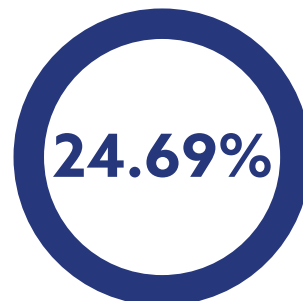
**86%**  
loan  
approval

**19,513**  
total  
membership

**\$901,349**  
paid in  
dividends to  
members



Assets



Asset Growth



Member Equity

# Consolidated Statement of Financial Condition

## Consolidated Income Statements Year Ended December 31, 2020 and 2019

INTEREST INCOME	2020	2019
Loans Receivable	\$ 6,434,485	\$ 6,446,906
Investments and Interest-Bearing Accounts	\$ 126,839	\$ 221,364
Investments Designated for Deferred Comp Plan	\$ 125,331	\$ 98,441
<b>TOTAL INTEREST INCOME</b>	<b>\$ 6,686,655</b>	<b>\$ 6,766,711</b>

INTEREST EXPENSE		
Members' Share Accounts	\$ 901,349	\$ 878,468
Borrowed Funds	\$ 7,657	\$ 22,826
<b>TOTAL INTEREST EXPENSE</b>	<b>\$ 909,006</b>	<b>\$ 901,294</b>

NET INTEREST INCOME		
<b>TOTAL NET INTEREST INCOME</b>	<b>\$ 5,777,649</b>	<b>\$ 5,865,417</b>

PROVISION FOR LOAN LOSSES		
<b>PROVISION FOR LOAN LOSSES</b>	<b>\$ 615,825</b>	<b>\$ 2,328,233</b>

NET INTEREST INCOME AFTER PROVISION FOR LOAN LOSSES		
<b>NET INTEREST INCOME AFTER PROVISION FOR LOAN LOSSES</b>	<b>\$ 5,161,824</b>	<b>\$ 3,537,184</b>

NON-INTEREST INCOME		
Deposit Service Charges and Related Fee Income	\$ 1,670,206	\$ 1,922,859
Interchange Income	\$ 415,759	\$ 357,793
Net Realized and Unrealized Gain (Loss) on Trading and Equity Securities	\$ 62,407	\$ 198,900
Other	\$ 692,912	\$ 970,124
<b>TOTAL NON-INTEREST INCOME</b>	<b>\$ 2,841,284</b>	<b>\$ 3,449,676</b>

NON-INTEREST EXPENSE		
Compensation and Benefits	\$ 2,975,621	\$ 2,893,150
Office Operations	\$ 2,033,173	\$ 2,217,513
Office Occupancy	\$ 527,101	\$ 507,475
Other	\$ 119,780	\$ 192,856
<b>TOTAL NON-INTEREST EXPENSE</b>	<b>\$ 5,655,675</b>	<b>\$ 5,810,994</b>

NET INCOME		
<b>NET INCOME</b>	<b>\$ 2,347,433</b>	<b>\$ 1,175,866</b>

## Consolidated Balance Sheets Year Ended December 31, 2020 and 2019

ASSETS	2020	2019
Cash and Cash Equivalents	\$ 29,304,951	\$ 8,047,691
Investments	\$ 15,351,414	\$ 8,837,154
Loan Receivable Net	\$ 94,839,226	\$ 95,473,445
Accrued Interest Receivable	\$ 347,285	\$ 366,620
Property and Equipment	\$ 7,517,007	\$ 7,672,972
National Credit Union Security Insurance Fund Deposit	\$ 1,173,960	\$ 1,020,283
Other Assets	\$ 10,107,291	\$ 5,814,253
<b>TOTAL ASSETS</b>	<b>\$ 158,641,134</b>	<b>\$ 127,232,418</b>

LIABILITIES AND EQUITY		
Members' Share Accounts	\$ 142,052,313	\$ 110,975,374
Borrowed Funds	\$ -	\$ 2,500,000
Accrued Expenses and Other Liabilities	\$ 1,892,784	\$ 1,257,641
Regular Reserve	\$ 1,543,777	\$ 1,543,777
Undivided Earnings	\$ 14,089,301	\$ 11,741,868
Accumulated Other Comprehensive Loss	\$ (937,041)	\$ (786,242)
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>\$ 158,641,134</b>	<b>\$ 127,232,418</b>

First Imperial Credit Union remained financially strong in 2020. For the year ending 2020, our total assets grew 24% to \$158,641,134, deposits ended at \$142,052,313 and net loans ended at \$94,839,226. Our membership grew to 19,513, a number which continues to increase. Net income for the year was \$2,347,433 which gave us an ROA (Return on Assets) of 1.63% that is higher compared to our peers that stand at 0.71%. Overall 2020 was proven to be a sound



Josue "Josh" Mercado  
Treasurer

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 9.84% as of year-end 2020. 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.



# We remain your trusted CU

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 Business Oversight (DBO) 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, 2020, Turner, Warren, Hwang and Conrad conducted the 2020 audit of FICU. 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.



Alexis Araujo  
**Supervisory Committee  
Chairwoman**



**"As your volunteer Supervisory Committee, we extend our gratitude to the Board and team for an ongoing commitment to improve internal controls and building the credit union, which allows us to have continued success and maintain financial integrity for our membership."**

## Board of Directors

Dr. Kathleen Lang  
Chairwoman

Christopher Petree  
Vice-Chairman

Josue "Josh" Mercado  
Treasurer

Michael Campbell  
Secretary

Dr. Victor M. Jaime  
Director

Katie B. Luna  
Director

Victor Torres  
Director

## Supervisory Committee

Alexis Araujo  
Chairwoman

Steve Escalera  
Committee Member

## Management

Fidel Gonzalez  
President/CEO

Cuauhtemoc De La Torre  
Executive Vice-President/CFO

Jorge Alcantar  
Chief Operations Officer

Marlena Rascon-Renteria  
Director of Marketing & Member Experience

Dulce Luna  
Lending Manager

Lupita Agbalog  
Imperial Branch Manager

Angelina Araujo  
Brawley Branch Manager

Sergio Jimenez  
Calexico Branch Manager

Moises Lopez  
Information Technology Manager

Evangelina Loya  
Human Resources/Compliance Manager

Frank Ornelas  
Loan Servicing Manager

Micaela R. Pena  
El Centro Branch Manager

Veronica Yee  
Accounting Manager

# We're More Than a Bank, We're Your Credit Union.

## Employees

Abril Barajas

Graciela Bueno

Alfonso Cabrera

J. Gabby Castañón

Rosemary Cornejo

Gabriella Cortez

Shantelley Estala

Zerlina Fernandez

Janelle Frazier

Jovita Galindo

Cesar Gonzalez

Liliana Gutierrez

Manuel Gutierrez

Joseph Hazen

Sandra Ibarra

Jorge Islas

Laila Jimenez

Ashley Lara

Kasumy Lara

S. Edith Lopez

Stephanie Lopez

Mayra Luna

Brenda Martinez

Griselda Martinez

Carmelita Mellin

Robert Morlet

Vincente Munoz

Francisco Nolasco

Ruth Olivas

Jessica Ortega

Alejandra Puentes-Fierro

Ivan Ramirez

Lilia Reyes

Juanita Saenz

J. David Salazar

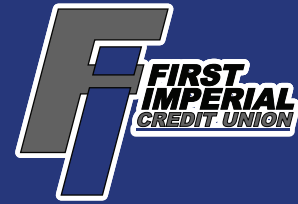
Emmanuel Santos

Jasmine Vasquez

Trini Vasquez

Alejandra Williams

Paola Zazueta



**1602 W. Main St.**  
El Centro, CA 92243

**1010 E. Cole Blvd.**  
Calexico, CA 92231

**1020 S. Brawley Ave.**  
Brawley, CA 92227

**123 W. Barioni Blvd., Ste. D**  
Imperial, CA 92251

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**760-352-1540 | [ficu.com](http://ficu.com)**

**Federally Insured by NCUA.**

