

# 2023

## Annual Report





**91 years**  
of people helping people



**\$1.225 billion**  
in total assets



**62,753**  
total members

# 2023



Collected **12,466** pounds of food as Alameda County Community Food Bank's Food Drive Host



Helped **846** members protect their identity at six document shredding events



**53,394** consumers benefited from our MoneyWise articles



**14%** of employees were promoted or provided a new opportunity



**5 years** selected as a Top Workplace

# President's Message



**Steve Stone**  
President and  
Chief Executive Officer

2023 completes our 91st year as a financial cooperative, and I'm pleased to share the annual report of 1st United Credit Union. Here are a few highlights of the year:

- Financially, the Credit Union demonstrated resilience and growth while continuing to keep our members' interests our priority. We welcomed 4,622 new members and finished the year with a 177% increase in dividends paid to members.
- To safeguard member data, we continued enhancing our network security and back-up capabilities. We also expanded fraud education so we can best help our members to understand how to identify fraud and scams to protect their accounts.
- To elevate the banking experience, we began a full remodel of our San Leandro branch and are exploring updates to several other branches.
- We welcomed 21 new employees, were selected as a Bay Area Top Workplace for the 5th consecutive year, and experienced the lowest turnover rate in years. We believe this is a testament to the positive company culture we've created that allows our employees to thrive in their careers.
- 1st United was selected for a second year by Alameda County Community Food Bank to serve as an official food donation spot for the community. We collected an incredible 12,466 pounds of food throughout the year – providing approximately 10,400 meals.

The meaningful work we do to bring financial capability to our members and local communities is what makes 1st United Credit Union an incredible place. Member loyalty fuels our progress and we are grateful for the trust each and every one of you bestow upon us. Thank you.

# Chair's Report

I'm honored to serve as the Chair of 1st United's Board of Directors, helping to ensure the financial strength and stability of your Credit Union. This first year in my new position has been an incredible experience and I'm pleased with the continued commitment of the entire 1st United team.

This past year has seen the following significant changes to the Board of Directors:

- Naomi Burns served as a Director from 2004 to 2019 and recently passed away. We all miss her greatly.
- Susan Muranishi has been a Director for six years. She recently stepped down from her position.
- Howard T. "Bud" Garrigan has been on the Board for 25 years and served as Chair for 21 years. Under his leadership, we weathered many challenges and grew to over \$1 billion in assets. In 2023, Bud stepped down as Chair and I was selected as the new Chair of the Board. Bud will remain on the Board and we will all benefit from his guidance moving forward.

I'm happy to report that the Credit Union thrived and ended the year with a positive net income of \$4.8 million and a net worth ratio of 10.6%. The National Credit Union Association (NCUA) considers anything over 7% as a well-capitalized financial institution. We exceeded the standard, ensuring the safety and security of members' funds.

With the uncertainty of the banking industry this past year, we remind our members not only of the financial strength of 1st United, but also that your funds are NCUA-insured and backed by our unwavering dedication to maintaining a robust financial position. This is a cornerstone of our promise to our members. To learn more about your insured funds or for assistance in maximizing your protections, please contact the Credit Union.

I am proud of the volunteers and staff who continue to believe in and support the Credit Union mission. Most importantly, I thank our members for their continued trust.

**Dave Macdonald**  
Chair, Board of Directors

*Rendering of the San Leandro Branch Remodel*



# 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 2023, 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.

**Kevin Powers**  
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 2023 were \$1.225 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.

**Terri Lauigan**  
Treasurer, Board of Directors

## Total Assets (\$ Millions)



## Comparative Balance Sheet

	2022	2023
<b>ASSETS</b>		
Loans, Net	\$881,001,294	\$881,535,248
Cash	83,486,883	81,835,670
Investments	284,451,401	231,064,186
Building and Land	4,095,625	3,598,354
Other Fixed Assets	3,093,959	2,662,415
Other Assets	21,474,280	23,814,886
<b>Total Assets</b>	<b>\$1,277,603,442</b>	<b>\$1,224,510,759</b>
<b>LIABILITIES</b>		
Regular Shares	\$349,532,465	\$308,343,931
Share Drafts	203,433,484	192,677,854
Money Market		
Account Shares	258,499,944	198,734,208
Share Certificates	336,908,908	386,232,379
<b>Total Shares</b>	<b>\$1,148,374,801</b>	<b>\$1,085,988,372</b>
Other Liabilities	30,439,470	26,385,291
<b>Total Liabilities</b>	<b>\$1,178,814,271</b>	<b>\$1,112,373,663</b>
<b>EQUITY AND RESERVES</b>		
Unrealized Investment Gains/(Losses)	\$(27,525,377)	\$(17,627,624)
Undivided Earnings	126,314,548	129,764,720
<b>Total Capital &amp; Reserves</b>	<b>\$98,789,171</b>	<b>\$112,137,096</b>
<b>TOTAL LIABILITIES, EQUITY AND RESERVES</b>		
<b>Total Liabilities, Equity and Reserves</b>	<b>\$1,277,603,442</b>	<b>\$1,224,510,759</b>
Return on Average Assets	0.60%	.38%
Net Worth Ratio	9.89%	10.60%
Asset Growth	-0.88%	-4.16%

## Operating Income Statement

	2022	2023
<b>INCOME</b>		
Loan and Visa Income	\$30,315,188	\$36,971,473
Income From Investments	6,553,682	8,355,919
Other Operating Income	7,536,707	5,575,420
<b>Gross Income</b>	<b>\$44,405,577</b>	<b>\$50,902,813</b>
<b>INTEREST EXPENSE</b>	<b>\$5,457,195</b>	<b>\$11,104,700</b>
<b>OPERATING EXPENSES AND PROVISION FOR LOAN LOSS</b>		
	\$31,286,146	\$34,997,296
<b>NET INCOME</b>	<b>\$7,662,237</b>	<b>\$4,800,817</b>

## Board of Directors

Dave Macdonald  
Chair

Steve Manning  
Vice Chair

Teresita M. Lauigan  
Treasurer

Cyril Bonanno  
Secretary

Howard T. "Bud" Garrigan  
Director

Joan Johnson  
Director

Susan Muranishi  
Director

Patrick O'Connell  
Director

Veleta Savannah  
Director

## Supervisory Committee

Kevin Powers  
Chair

Cecelia Leon  
Secretary

David Budde  
Committee Member

Crystal Hishida Graff  
Committee Member

Len Herrero  
Committee Member

## Executive Team

Steve Stone  
President & Chief Executive Officer

Tosha Y. Eagles-Williams  
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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