



 **FirstFinancial**
CREDIT UNION

2021

**ANNUAL
REPORT**

PRESIDENT'S REPORT RON MOOREHEAD



When we started 2021, we had optimism and enthusiasm about getting back to normal. Looking back from this vantage point, many of us didn't know how difficult the year would be. For those of you that lost family members last year, we understand your pain and grief as it affected us as well here at the Credit Union. Now that some parts of our lives have stabilized, we are working on what the new normal will be, and how we can best serve you going forward.

We received the distinction of being a Forbes Best in State Credit Union award again in 2021. That award is based on your feedback to Statista, an independent survey group based on a nationwide survey of consumers about their

banking relationships. We thank you for your support! First Financial also received other important recognition during the year, including the 2021 Top Places to Work and 2021 Family Friendly Business awards.

We moved into our new corporate headquarters this year, and as promised, it has helped us pilot and roll out new branch related technology. Look for these items in our soon-to-be remodeled and new branches as well. We upgraded our online and mobile platforms which should serve us well for many future years. We hope you like the new features such as Zelle© and card controls. We also added several new lending programs in both our Consumer and Residential Mortgage areas.

It has been a low interest rate

environment for some time now, but with your support we did have a banner year financially. The Treasurer's report has exciting details on income and other financial metrics. Your credit union is financially strong, stable, and growing. Look for new and remodeled branches in the next few years, and improved technology offerings.

As I have said before, I am very fortunate to work with such a fantastic group of volunteers and staff, and thank you for allowing us to grow with you as your preferred financial partner.

A handwritten signature in black ink, appearing to read 'Ron Moorehead'.

Ron Moorehead, CEO





NM STRONG PROUD



Thank you for attending the 85th Annual Meeting for First Financial Credit Union. As we reflect on 2021, we want to express sincere gratitude for your continued trust as your financial partner. For 85 years, “people helping people” has been the principle under which First Financial Credit Union has operated. This philosophy is the basis for decisions that the Board of Directors makes on behalf of our member-owners, especially during difficult times like we’ve experienced the past two years.

Our management and staff worked tirelessly to stay healthy and keep our members safe. We were thrilled to reopen our lobbies to see you back in person again and to celebrate through welcome back member appreciation events throughout each of our branches.

As Chair of your volunteer Board of Directors, I’m pleased to say that First

Financial Credit Union finished 2021 in a strong financial position. Our financial strength and tenacity allowed us to navigate the evolving needs of our members and communities while still achieving or surpassing all financial goals for the year.

Additionally, our financial strength allowed us to give more back to our members and our shared communities. First Financial provided support to various charities, non-profits, and businesses throughout New Mexico. We awarded more than \$36,000 in scholarships to support our local high school and college students. We also donated and sponsored numerous local organizations and businesses and partnered with local colleges to help support student athletes.

Our community commitments remain front and center on how to impact those we serve and reflects the ideals of the credit union

movement. We collectively work together to improve people’s financial lives and build up the communities in which we live. We were honored to be recognized by our communities and our industry by receiving various awards throughout 2021. We were again named by Forbes as a top ten Best-in-State Credit Union, which is based on a nationwide survey of consumers about their banking relationships and the Family Friendly Business award for the fourth year in a row.

We are constantly striving to enhance our processes, products, and services to better serve you. As technology evolves, we continually evaluate new ways to enhance your personalized banking experience. In 2021, we

updated our mobile app to make it more intuitive, user friendly and easier for you to manage your account at your convenience. Whether you’re away on vacation or just not able to make it into a branch, you can still take care of your banking needs, 24/7 from anywhere using your mobile device.

Amidst the ever-changing landscape of world events, one thing remains the same – our unwavering commitment to provide solutions to you, for all your unique financial needs. On behalf of everyone here at First Financial Credit Union, thank you for your membership, we appreciate your business!



**CHAIR’S REPORT
CASSIE KELLEY**



TOTAL
net income



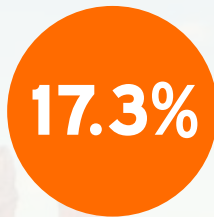
ASSET
growth



TOTAL
assets



MEMBERS
5% growth



LOAN
growth



AWARDED
in scholarships



TO MEMBERS
through Kasasa Rewards



4TH YEAR VOTED
Top Places to Work



4TH YEAR VOTED
Family Friendly Business

2021 will be a year to remember for numerous monumental accomplishments. It was the year that FFCU moved into its new headquarters, opened the new Renaissance branch, hired a number of key personnel like our SVP Lending, VP Commercial Portfolio Manager, and Business Account Specialist, paid out cash and gift bonuses to all employees, and had a record year of \$9,895,277 in net income.

Did we mention growth? If you consider the five primary growth metrics that all credit unions track, how do we compare?

	FFCU	NCUA Western Assets >\$500M	USA Assets \$500M-\$1B
Asset Growth	17.6%	12.8%	3.8%
Loan Growth	17.3%	7.7%	<0.4>%
Deposit Growth	16.0%	13.8%	5.3%
Membership Growth	5.0%	4.3%	<2.2>%
Equity Growth	32.3%	3.3%	3.3%

It is easy to see that First Financial Credit Union is not only one of the fastest growing in New Mexico and the Western US, but is one of the fastest growing in the entire country as well.

What is our secret recipe? It isn't really a secret. We simply put our members first and foremost with unparalleled member service and attention to their needs. We value and appreciate our employees as family and do everything we can to accommodate their ever changing and challenging balance between work life and personal life. We walk the talk in everything we do and our Forbes 2021 award as Best in State New Mexico Credit Union is proof.

We look forward to another great year in 2022 with continued growth and expansion throughout the great state of New Mexico.



TREASURER'S REPORT
STEWART LOGAN

ASSETS

	2021	2020
Loans	\$ 578,160,268	\$ 492,768,491
Allowances for Loan Losses	(2,529,725)	(7,130,100)
Net Loans	\$ 575,630,543	\$ 485,638,391
Cash & Investments	188,374,009	166,645,679
Fixed Assets (Net)	24,337,389	24,122,041
Other Assets	39,485,779	27,316,711
TOTAL ASSETS	\$ 827,827,720	\$ 703,722,822

LIABILITIES & EQUITY

Current Liabilities	\$ 10,874,833	\$ 6,563,730
Member Shares	750,490,796	646,944,785
Retained Earnings	66,462,091	50,214,307
TOTAL LIABILITIES & EQUITY	\$ 827,827,720	\$ 703,722,822

STATEMENT OF INCOME & EXPENSES

	2021	2020
INTEREST INCOME		
Loans	\$ 23,838,597	\$ 22,066,555
Investments	1,142,934	1,851,561
INTEREST EXPENSE		
Dividends to Members	(2,084,072)	(2,337,275)
Interest on Borrowed Funds	(335,404)	(1,258)
Net Interest Income	\$ 22,562,055	\$ 21,579,584
Other Operating Income	16,803,905	11,448,405
Non-Operating Income/(Loss)	(105,149)	881,984
Operating Expense	(33,524,534)	(28,205,014)
Provision for Loan Losses	4,159,000	(3,700,000)
Net Income / (Loss)	\$ 9,895,277	\$ 2,004,959



SUPERVISORY COMMITTEE'S REPORT CINDY FROST



I've had the wonderful honor of serving the Board and members of First Financial Credit Union as a member of the Supervisory

Committee since 2018. I was selected as the chair of the committee in 2021.

The Supervisory Committee provides management and Board of Directors with an independent assessment of the safety and soundness of First Financial Credit Union operations and ensures the financial statements are a fair

and accurate presentation of its financial condition.

The Supervisory Committee fulfilled its responsibility by:

- Employing the independent accounting firm of Nearman, Maynard, & Vallez CPAs to perform a comprehensive review of the credit union's financial statements for 2021, which were rendered accurate in all material respects;
- Participating in the joint examination conducted by the regulatory agencies of National Credit Union Administration (NCUA) and the New Mexico Financial Institutions Division, which indicate a financially strong and well managed organization;

· Meeting monthly with the Director of Internal Audit to oversee the internal audit program, discuss audit results, Internal Audit recommendations for strengthening controls, and the status of management's action on all prior recommendations; and

· Reviewing and responding in writing to letters and emails it received from the membership or any regulatory agency at P.O. Box 26926, Albuquerque, NM 87125.

The cooperation and support from credit union members, employees, officers, and volunteers is greatly valued. We welcome and appreciate our newest Member, Trish Roughgarden to the committee. The Supervisory Committee will continue to perform its oversight responsibilities in the best interest of the membership and First Financial Credit Union.





PEOPLE HELPING PEOPLE.



First Financial Credit Union is dedicated to our member-owners in diverse communities by providing trusted and exceptional financial services, products, and education.

BOARD OF DIRECTORS

CHAIR

Cassie Kelley

FIRST VICE CHAIR

Loretta Montoya

SECOND VICE CHAIR

Vincent Esparza

SECRETARY/TREASURER

Stewart Logan

DIRECTORS

Ava Boswell

Iva Curley

Rick Goshorn

Cindy Frost

Melissa (Missy) Wauneka

EMERITUS DIRECTORS

Pablo Rael

Boyd Miller

Cathy Thomas

SUPERVISORY COMMITTEE

Christine Duncan - Secretary

Jennifer Gibbs - Member

Patricia (Trish) Roughgarden-
Member