

CLIMB HIGHER 



# 2025 ANNUAL REPORT

With decades of trusted service, we make every decision with the goal of delivering stability, opportunity, and lasting value to our members.



# Our Mission

We help our members reach their financial goals at every life stage by providing a personalized banking experience with access to the highest value products, superior service, and trusted guidance.

**Member  
Satisfaction\***  
**95%**

**Member Value\*\***  
**Top 2%**  
of Credit Unions Nationwide

**Average  
Dividends  
Per Member\*\***  
**Top 1%**  
of Credit Unions Nationwide

\*Live Survey data 09.01.2025 – 02.15.2026

\*\*Callahan & Associates peer data for Credit Unions \$1B - \$10B CY 2025

# CHAIR/ CEO REPORT



**Chris E. Bundesen**  
Chair, Board of Directors



**Tim Green**  
President/CEO

As we reflect on 2025, our thoughts inevitably turn to the devastating Eaton and Palisades wildfires. The scale of loss in our communities is beyond measure, yet we must recognize the extraordinary efforts and tireless dedication of our members, who worked countless hours to support those affected. To witness the dedication of these men and women provides a clear example how we, the financial institution founded to serve those who serve, can strive to operate. Every day, we work to do anything possible to help our members achieve their financial goals, with unwavering grit and determination. While we cannot expect to undo the losses, we have worked to provide meaningful relief options. We have funded a significant number of short-term assistance loans for members in immediate need, deferred loan payments without fees or penalties, and have offered zero percent home equity loans to help members rebuild. It is inherent in our mission to help our community recover, and we will continue to support members and our communities until the job is done.

**Financial Performance:** F&A had another exceptional financial year. For the second year in a row, and the third in the last four years, we set a record for net income at \$18.5MM. Member shares continued strong growth with an increase of \$151MM for the year at a healthy pace of just over 8%. Net worth remained in the top quartile of the industry at 12.3%. While results are impressive, our commitment to our members drives our operations. We continued to provide the highest dividends in the industry with average dividends per member in the top 1% of credit unions nationwide. We also continue to see tremendous member engagement with average share balance per member ranked in the top 1% nationally.

We relentlessly manage our expenses with prudence, ranking F&A among the top 2% most efficient institutions nationwide. F&A continues to deliver the highest value back to its members while remaining both secure and thoughtful in its management of expenses.

**Strategic Execution:** In 2025 F&A successfully fulfilled its five-year Strategic Plan and embarked on a new three-year Plan. While the previous iteration of the Plan was focused on infrastructure and financial education, the current Plan focuses on both member growth and continued process automation to further increase organizational efficiencies. We are excited to announce the addition of the Arcadia Fire Department to our field of membership and are expecting to see additional departments and municipal members join in the years to come.

While growth and new technologies are exciting, we will always remain focused on our core mission to serve people who serve. In 1936, F&A was founded to serve employees of the Fire, Forestry and Agricultural Departments of Los Angeles County and we remain focused on delivering exceptional value and superior service for those employees and their families.

A handwritten signature in black ink, appearing to read 'Chris Bundesen'.

**Chris E. Bundesen**  
Chair, Board of Directors

A handwritten signature in black ink, appearing to read 'Tim Green'.

**Tim Green**  
President/CEO

# Supervisory Committee REPORT



**Raymond B. Smith**  
Chair, Supervisory Committee

## PROTECTING Our Members' Interest

F&A's Supervisory Committee (Committee) is comprised of five volunteer members appointed by the Board of Directors (Board). The Committee is responsible for ensuring that the Board and Senior Management of the Credit Union:

1. Meet financial reporting objectives, and
2. Establish practices and procedures sufficient to safeguard members' assets.

As a function of their oversight, the Supervisory Committee provides the Membership with an independent appraisal of the safety and soundness of F&A Federal Credit Union's operations and activities. It does so in compliance with various financial and regulatory requirements.

Unaudited financial statements for year ending December 31, 2025, presented in the Annual Report, were prepared by F&A Credit Union Management. The Supervisory Committee engaged the services of Turner, Warren, Hwang & Conrad AC (TWHC) to perform the annual financial statement audit which will be completed later this year. Our industry regulator, the National Credit Union Administration (NCUA), will also review financial results in their annual examination of the Credit Union.

During 2025, the Supervisory Committee directed a comprehensive 'risk-based' audit program. Specific audit techniques and methods were applied to operating processes selected for their risks across all Credit Union products and services. The Supervisory Committee contracted with specialized external firms to perform these independent reviews. The Committee held monthly

meetings to review, among other things, audit reports, internal controls and risk management processes, and examinations by regulatory agencies.

In the opinion of the Committee, F&A Federal Credit Union has operated in a financially sound manner and in accordance with applicable federal and state regulations. The Credit Union continues to be financially strong and well-managed, and the Credit Union's assets are being effectively safeguarded.

**The F&A Promise: To consistently deliver exceptional financial value and unmatched personalized service to those who serve others.**

I would like to acknowledge the contributions and commitment of my fellow Committee members: Chris Donovan, Nick Duvally, Margaret Kanishock, and Pablo Valadez. They join me in expressing our gratitude to the Credit Union Board of Directors, management, and staff for their dedication to ensuring that F&A Federal Credit Union remains a financially sound institution and fully worthy of its members' trust.

*Raymond B. Smith*

**Raymond B. Smith**  
Chair, Supervisory Committee

# Financial Statements

## 2025

### Statement of Financial Condition

(in thousands) At December 31, 2025 (Unaudited\*)

#### ASSETS

Loans Outstanding	\$1,227,246
(Less) Credit Loss Reserve	<u>(4,197)</u>
<b>TOTAL NET LOANS OUTSTANDING</b>	<b>1,223,049</b>

CASH AND CASH EQUIVALENTS	126,616
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#### INVESTMENTS

Securities Available for Sale	1,354,280
Securities Held to Maturity	57,000
Equity Securities	6,711
Other	<u>99,929</u>
<b>TOTAL INVESTMENTS</b>	<b>1,517,920</b>

Accrued Interest on Loans and Investments	9,861
Premises and Equipment, Net of Depreciation	4,959
Land Held for Sale	2,573
National CU Share Insurance Fund Deposit	17,152
Other Assets	<u>71,844</u>

<b>TOTAL ASSETS</b>	<b>\$2,973,974</b>
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#### LIABILITIES, MEMBER DEPOSITS AND EQUITY

Borrowings from the Federal Home Loan Bank	\$635,000
Accounts Payable and Other Liabilities	13,091

#### MEMBER SHARES

Regular Shares	262,180
Share Drafts	321,789
Money Market	626,353
Certificates	712,139
IRA Shares and Certificates	<u>84,099</u>
<b>TOTAL MEMBER SHARES</b>	<b>2,006,560</b>

#### MEMBERS' EQUITY

Undivided Earnings	364,576
Capital Arising from Acquisition	549
Accumulated Other Comprehensive Loss	<u>(45,802)</u>
<b>TOTAL MEMBERS' EQUITY</b>	<b>319,323</b>

<b>TOTAL LIABILITIES, MEMBER DEPOSITS AND EQUITY</b>	<b>\$2,973,974</b>
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### Statement of Income & Expense

(in thousands) CYE December 31, 2025 (Unaudited\*)

#### INTEREST INCOME

Interest on Loans	\$59,207
Interest-Bearing Accounts and Investments	<u>58,786</u>
<b>TOTAL INTEREST INCOME</b>	<b>117,993</b>

#### INTEREST EXPENSE

Members' Share Accounts Dividends	52,722
Interest on Borrowed Funds	<u>24,113</u>
<b>TOTAL INTEREST EXPENSE</b>	<b>76,835</b>

PROVISION FOR CREDIT LOSS EXPENSE	<u>1,625</u>
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<b>NET INTEREST INCOME AFTER PROVISION FOR CREDIT LOSS EXPENSE</b>	<b>39,533</b>
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Gain (Loss) on Visa Stock	663
Non-Interest Income	5,901
Non-Interest Expense	<u>27,602</u>

<b>NET INCOME</b>	<b>\$18,495</b>
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F&A Federal Credit Union's net worth ratio is well-capitalized at 12.3%, as of December 31, 2025. The net worth ratio declined from 12.9% as of December 31, 2024, due to a 10% growth in assets. Total assets are just under \$3B. We continue to strategically leverage capital to improve earnings and support membership objectives of higher dividend rates, lower fees, and low loan rates.

Return on assets of 0.65% in 2025 demonstrates our success navigating a shifting interest rate environment. Loans to members grew 6% in 2025 to \$915MM with total loans increasing to \$1.23B. Member share deposits increased by \$151MM or 8% in 2025 to \$2B. Net income for the year ending December 31, 2025, was a record \$18.5MM. As a result, members' total equity increased by 5.3% compared to December 31, 2024.

Our vision to create exceptional financial opportunities for all members and their families today, and for generations to come remains unwavering as we remain one of the most financially sound credit unions in the country.

\*12/31/2025 Unaudited financial statements presented in the Annual Report were prepared by F&A Management. Turner, Warren, Hwang & Conrad AC (TWHC) have been hired to perform the annual financial statement audit which will be completed later in the year.

# Directors/ Officials

## BOARD OF DIRECTORS



**Chris E. Bundesen**  
Board Chair



**Michael H. Carnes**  
Vice Chair



**Andy M. Doyle**  
Secretary / Treasurer



**William "Blackie"  
Blackburn**



**Mary E. Gutierrez**



**Robert Heinzl**



**J. Lopez**



**Van Mark Madrigal**



**Richard A. Russell**

## EXECUTIVE LEADERSHIP TEAM



**Tim Green**  
President/CEO



**Michael Harden**  
EVP/Chief  
Investment Officer



**Michelle Swauger**  
EVP/Chief Member  
Experience Officer



**Danielle Baca**  
SVP/Chief Electronic  
Services Officer



**Ruben Campos**  
SVP/Chief Lending Officer



**Brendan Flannery**  
SVP/Chief  
Information Officer



**Michael Ivezic**  
SVP/Chief Risk Officer



**Jasmine Pesantes**  
SVP/Chief Financial Officer

## SUPERVISORY COMMITTEE



**Raymond B. Smith**  
Committee Chair



**Chris Donovan**



**Nick Duvally**



**Margaret Kanishock**



**Pablo Valadez**

# Honoring our History of Serving Those Who Serve

As we look forward to celebrating our 90th anniversary in 2026, we want to take a moment to look back and honor the sponsor organizations who founded F&A's member-owned cooperative.

## What's in our name?

The **F** in F&A represents the Los Angeles County Fire Department. In the early 1920s the Department of Forestry and Fire Warden was established to protect unincorporated areas and watersheds. Over time, the Department expanded to include fire protection districts. In 1949, the Consolidated Fire Protection District (CFPD) was established by the Board of Supervisors through the consolidation of numerous fire districts which is now the core of the modern LA County Fire Department. Today the Department provides fire and emergency medical services to more than 4 million people covering over 2,300 square miles across unincorporated areas of Los Angeles County.

The **A** in F&A represents the Los Angeles County Agricultural Commissioner Weights & Measures Department. The Department has a long history rooted in the region's agricultural past. Established in 1881, it was initially focused on protecting the county's agricultural industry from pests and diseases. Over time, it evolved to encompass weights and measures, ensuring accuracy in commercial transactions and protecting consumers. Today, the Department's highly diverse public services include ensuring the safe and wholesome supply of food and water; protecting consumers and businesses from fraud; preventing the misuse of pesticides; managing and excluding pests; minimizing fire hazards from weeds and brush; and providing useful consumer and agricultural information.

## Your Trusted Financial Partner

Founded in 1936 by employees of the Departments of Forestry, Fire and Agriculture with just \$26, F&A Credit Union has grown to nearly \$3B in assets with over 44,500 loyal members. Over the decades, we have elected to maintain an exclusive closed field of membership, developing products and services designed to serve our close-knit community.

We do not strive to be everything to everyone but rather to provide private banking-like services for those who serve others. F&A's history of providing superior, personalized service coupled with some of the highest deposit rates available, lowest fees, and competitive loan rates is what continues to differentiate F&A.

In 2026 we look forward to celebrating 90 years of service, and we're excited about the future. We're more committed than ever to helping our members reach their financial goals at every life stage by providing access to the highest value products, superior service, and trusted guidance. Thank you for being a part of our journey, and here's to many more years of success and growth.





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[FAFCU.org](http://FAFCU.org)



Insured by NCUA