

American
First
Credit Union

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Embracing our *Members*



Annual Report **2013**

Federally Insured by NCUA

A message from the Chairman of the Board



2013 was a year full of accomplishments from new product offerings and service enhancements for members to workplace excellence awards and refreshed values. For 61 years, American First Credit Union has provided members with tools and support to reach their financial goals.

We are grateful that our members have allowed us to serve their saving, borrowing and investing needs.

American First is financially strong. We continued to build our capital and improve our income. Through a combination of careful planning, sensible lending practices and a commitment to the best interests of our members, associates and communities, your Credit Union has emerged financially fit to provide you the services you need.

Our mission to provide our members with competitive and convenient high quality financial services while maintaining financial soundness remains unchanged. We are equally committed to the financial wellness of all our members. Our members were offered programs that helped them better manage their money, prepare a family budget, and track their spending to have a healthy financial life.

I am proud to say that our tradition of “people helping people” was supported by our caring staff. This past year the credit union and our associates participated in charitable activities and causes – both with funds and time – to help those less fortunate. A few highlights of our activities throughout the year included: serving in soup kitchens, raising funds for local children’s hospitals, participating in

Relay for Life, sponsoring a summer camp program for brain injured children, collecting clothes and volunteering at Women Helping Women/Men2Work programs and donating gifts/toys for those less fortunate during the holiday season.

American First was a 2013 recipient of a “Workplace Excellence” award as



American First Credit Union’s Board of Directors
Left to Right: Patti Malott, David DeLeon, Danny Doss,
Tom Cook, Don Kocherhans, Amanda Secola. (Not
Pictured: Jason Philibert)

Financial *Position*

Financial Position as of December 31 (unaudited)

Assets	2013	2012
Loans to Members	\$ 249,751,378	\$ 258,984,363
Cash and Investments	201,189,104	188,483,184
Other Assets	44,896,921	55,939,779
Total Assets	\$ 495,837,403	\$ 503,407,326

Liabilities	2013	2012
Deposits	\$ 445,462,255	\$ 457,924,584
Other Liabilities	3,375,417	6,370,991
Total Liabilities	448,837,672	464,295,575
Reserves	46,999,731	39,111,751
Totals Liabilities/Reserves	\$ 495,837,403	\$ 503,407,326

Income and Expenses as of December 31 (unaudited)

Income	2013	2012
Interest on Loans	\$ 12,962,797	\$ 15,274,929
Interest on Investments	1,396,046	1,009,968
Other income	9,516,656	8,325,966
Total income	\$ 23,875,499	\$ 24,610,863

Operating Expenses	\$ 11,580,296	\$ 17,796,060
Non-operating Income	26,366	96,323
Net Income Before Dividends	\$ 12,321,569	\$ 6,911,126

Dividends	\$ 3,207,678	\$ 4,102,533
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Net Income	\$ 9,113,891	\$ 2,808,593
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presented by Peter Barron Stark & Associates. This acknowledgment is a tribute to our passionate associates, who always strive to listen to members’ needs and suggestions, create solutions to save members’ time and money, and make sure every interaction exceeds expectations.

I speak on behalf of the Board of Directors and our team of associates when I tell you we truly appreciate our members’ loyalty and are grateful for the confidence you have placed in us. With your continued support we will remain focused on providing exceptional value and creating the best experience for our members.

Danny Doss
Chairman of the Board

2013 Highlights

Together with our members, we've accomplished a lot in 2013. Just a few highlights include:

- **Purchase Rewards** - Beginning in February, checking accounts with Purchase Rewards allowed members to take advantage of discounts available only through Online Banking. With Purchase Rewards, members are able to receive up to 15% savings on offers from local, national, and online stores and restaurants.
- **Remote Check Deposit** - The newest addition to the AFCU Mobile app, members are able to tap, snap, and deposit checks directly from their mobile device, from wherever they have an Internet connection.
- **Refreshed logo and website** - Everyone needs a make-over now and then, and AFCU is no different. In August, our members began experiencing the benefits of an updated website allowing them to access information in a quick and easy fashion. With the new website came a new, vibrant logo.
- **CU Realty HomeAdvantage™** - We partnered with CU Realty to give members an easy way to search for homes, connect with a trusted agent, and get a member-only rebate which can be used to reduce closing costs, reduce realtor commissions, or be taken as cash back.
- **Online Banking Enhancements**- Enhanced security features on our Online Banking product have allowed members to feel secure wherever they access their accounts when banking from their home, office, or on the go.
- **Peter Barron Stark Workplace Excellence Award** - AFCU was awarded a coveted 2013 Peter Barron Stark Workplace Excellence award for exhibiting a positive work setting.
- **Core Values** - Our associates have embraced the S.P.I.R.I.T. of AFCU... Living out the corporate values (Sincere Communication • People Make the Difference • Integrity • Resilience • Inclusion • Trust and Empowerment) when helping members and each other.
- **Facebook** - Our new Facebook page has helped us stay connected with our members and our communities.



 [facebook.com/amerfirst.org](https://www.facebook.com/amerfirst.org)

Supervisory Committee Report



The duties of the Supervisory Committee include maintaining internal controls to protect the members and the credit union; ensuring the credit union is run in a fiscally sound manner and most importantly, to be an advocate for the members.

As part of their responsibilities, committee members must familiarize themselves with laws and regulations to ensure the credit union is in complete compliance with state and federal requirements.

For this purpose, the committee oversees an independent annual audit of the credit union to verify compliance, in accordance with the regulations set by the California Department of Business Oversight and the National Credit Union Administration, our governing agencies.

In 2013 the Supervisory Committee engaged the services of Turner, Warren, Hwang and Conrad, an independent certified public accounting firm, to assist us in conducting a comprehensive audit of the credit union's financial statements.

It is the opinion of the Supervisory Committee that the financial statements published in this report fairly and accurately represent American First Credit Union's financial condition, and that the credit union is managed soundly in accordance with state and federal regulations.

A handwritten signature in black ink, appearing to read "Jason Philibert".

Jason Philibert
Supervisory Committee Chairman

We're Always *Here for You!*

Branch Locations

La Habra | Corporate Office

700 N. Harbor Blvd.
La Habra, CA 90631

Buena Park

6011 Lincoln Ave., Suite. B
Buena Park, CA 90620

Orange

247 E. Katella Ave.
Orange, CA 92867

Online Banking Convenience 24/7

800.290.1112
www.amerfirst.org
AFCU Mobile



Online Banking with e-Alerts - Our members can view balances, transfer funds, make payments, and view account statements. Plus, with e-Alerts, members have the option of getting alerts when an account reaches a certain balance to help manage their money.

Mobile Banking with AFCU Mobile - AFCU Mobile comes with Remote Check Deposit giving members the convenience of depositing checks into an AFCU account by taking a picture of the checks and sending it to us!

MoneyLine - For members who prefer telephone banking, MoneyLine provides 24/7 access to account activity. With this automated system, members can transfer funds between accounts, make loan payments instantly, verify past transactions, and request loan advances.

Free ATMs - Members can find more than 30,000 free ATMs at www.co-opatm.org or by calling **888.748.3266**. For extra convenience, by texting "City State" to 692667 (my coop) members will receive a message with the free ATMs nearest their location.

Shared Credit Union Branches - Surprisingly convenient! Members can use any of our partner credit union branches to make a transaction on their AFCU account. Shared locations can be found at www.co-opsharedbranch.org or by calling **888.748.3266**.

Bill Pay - Members have the ability to never miss a payment again with scheduled, on-time payments using our online Bill Pay service.

Personal Checking Plans

Checking accounts that give members convenience everyday. And each plan comes with Purchase Rewards just for using the American First Visa® Debit Card and Online Banking. Members enjoy cash-back deposited right into their checking account.

Savings Plans

For an easy way to save, we've got plenty of choices with NCUA-insured products.

- Regular Savings
- Money Market Accounts
- Share Certificates
- Individual Retirement Accounts (IRAs)
- Holiday Club
- Youth Accounts

Home Loans

We help hundreds of members, buy, sell and save on their next home!

- Home loan terms up to 30 years
- Fixed and adjustable rate loans
- Home Equity loans

Together with our HomeAdvantage™ program, members can get help with buying and selling a home - and get a cash rebate at closing!

Vehicle Loans

With great rates and flexible terms, our members drive off with savings and a smile.

- **Auto Loans** - Financing of new or used vehicles, or refinancing of an existing loan for lower payments
- **Motorcycle, Watercraft, & RVs** - Competitive rates on these and other vehicles

Visa® Credit Card

Convenience and a great rate on a card accepted worldwide anywhere Visa is accepted. Members can earn points with their Extra Awards Visa Credit Card, too.

Financial Resources

We provide a variety of resources to help our members achieve their financial goals. Whether they are creating a savings plan or want to better understand their credit score, we have the tools and resources to help.



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AFCU Associates *Supporting Our Communities*



Associates meet with local Select Employer Groups for educational workshops and membership drives.



Volunteers at the Someone Cares Soup Kitchen.



Associates raise money for the Children's Museum of La Habra with a winning entry in the Gourmet Guys cook-off.



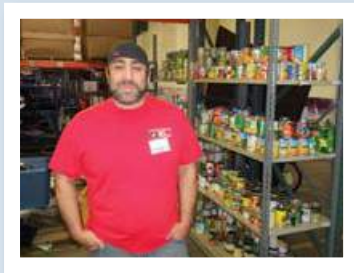
Associates raffle off charity baskets with the proceeds being donated to Children's Hospital of Orange County.



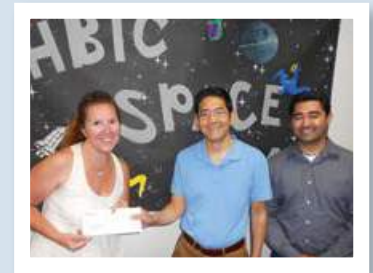
Associates donate funds to support Miracle Jeans Day to benefit Children's Miracle Network Hospitals.



The credit union partners with PIH Health for a community blood drive.



Volunteer distributing food, backpacks, and housing supplies at Giving Children Hope.



The credit union sponsors a child at the Help for Brain Injured Children (HBIC) Summer Camp.



Volunteers work directly with the City of La Habra to welcome the "Wall That Heals" Vietnam Veteran's Memorial.



Associates volunteer at Operation Santa distributing food and toys to underprivileged families.



Associates and members donate clothing to Women Helping Women/Men 2 Work for job placement services.