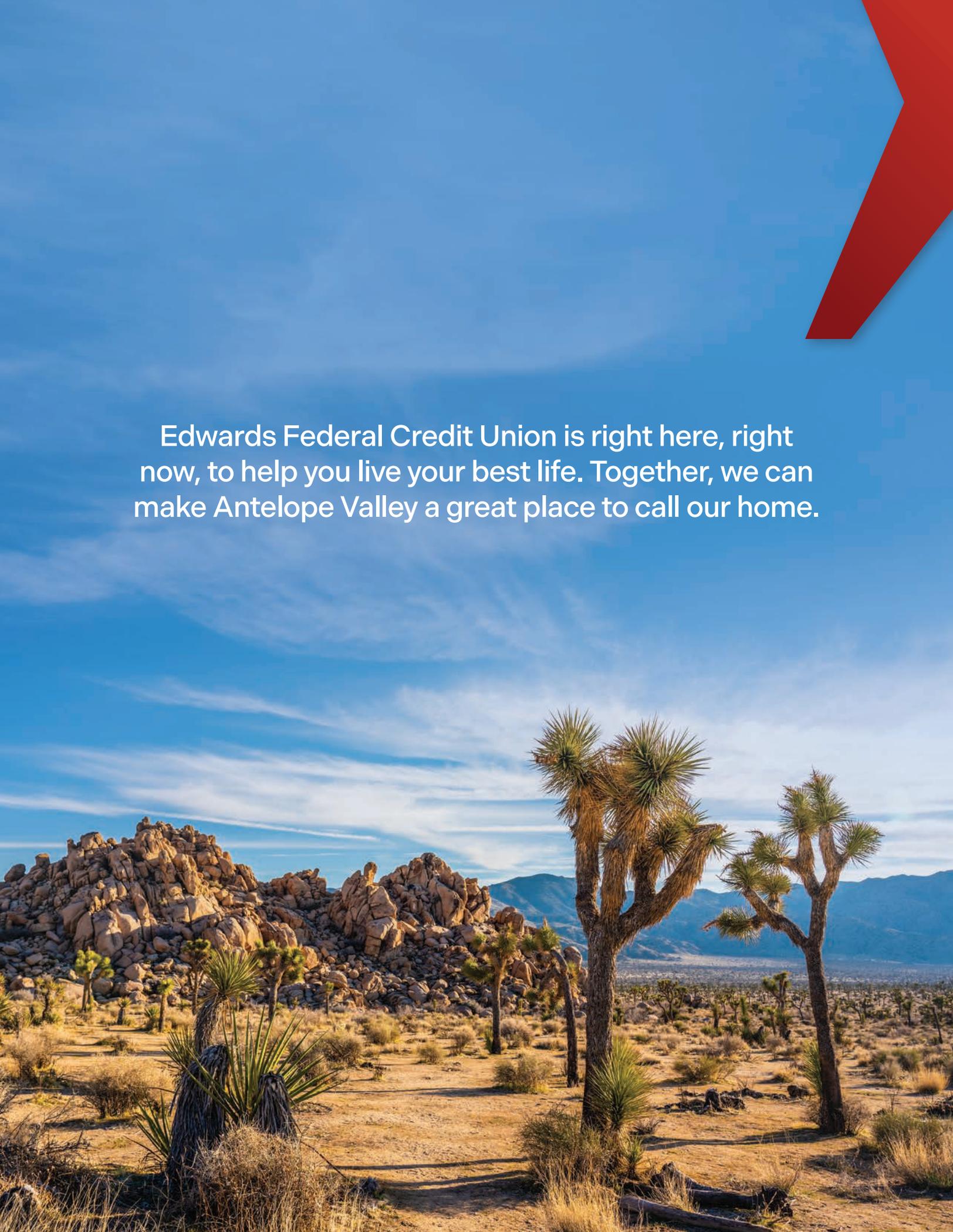


20
23

WHERE
TRADITION
MEETS
TOMORROW



ANNUAL REPORT



Edwards Federal Credit Union is right here, right now, to help you live your best life. Together, we can make Antelope Valley a great place to call our home.

PRESIDENT & CEO MESSAGE

Building A Bright Future for Our Members



Dear Members,

Since joining Edwards FCU, our team has been on an exciting journey of continuous improvement, aimed at better serving our members when

they need us most. **Our mission is simple: to be your trusted financial partner offering support whenever, wherever, and however you need us.** From introducing secure text messaging, our eco-friendly loan program, credit card rewards program, and our MyCash payday alternative loan, every enhancement has been designed with your convenience and well-being in mind.

And that's just the beginning! We're thrilled to announce upcoming additions, such as our revamped mobile banking platform with seamless money movement features like Zelle, along with the ability to easily monitor your credit score and a host of other new functionalities. Plus, get ready for a hassle-free loan request process that's both quick and convenient. And in our commitment to supporting the local community, we're extending our services to small businesses in the Antelope Valley, becoming their trusted partner in success.

As a proud native of the Antelope Valley, we are deeply rooted in this vibrant community we call home. Our dedication shines through our active involvement with local Chambers and Edwards Air Force Base, and we're thrilled to announce our founding partnership with the upcoming professional soccer teams. Stay tuned for more exciting updates on this incredible partnership!

Despite all these exciting developments, we're pleased to report that our financial foundation remains strong, setting the stage for even more growth and success in the days ahead. I am truly grateful to be a part of this extraordinary credit union and cannot wait to see what the future holds for us.

"As the only credit union who was born, raised, and headquartered in the AV, we are truly Antelope Valley Proud."

Together, we're building a brighter tomorrow for everyone we serve.

Carter Pope
President & CEO

CHAIRMAN'S MESSAGE

The Value of Your Credit Union

We are very proud of the services and enhanced products we provide, and will soon provide, to our members. With continued focus on sound policies, effective procedures, and cost discipline, we have strengthened our Net Worth which has enabled your Credit Union to offer more products and services to you. We are proud to offer a safe and secure financial environment for the Antelope Valley community. We offer affordable loans to help our members who need to borrow, and competitive rates for our savers, all while exploring ways to better spread our availability to the community. In addition to our ATM's located

around the Antelope Valley, our location in town offers a drive through ATM lane, ample parking, and a dedicated room for community use. I hope you will continue to help us spread the word about the value of your credit union. Lastly, I want you to know that our energized management team continues to work extremely hard to meet the needs of the membership as we continue ways to make your experience with us enjoyable in these financial times.

Martin C. O'Brien
Chair - Board of Directors

Treasurer's Report

As I wrote in last year's report, with continued member support, your credit is well postured to meet the new challenges ahead of us in 2023.

Meet them we did. The credit union experienced net income growth from \$1 million dollars in 2022 to \$1.7 million dollars in 2023. We returned to members dividends of over \$1.4 million dollars in 2023 from \$273 thousand dollars in 2022. With solid support from you the members, loans granted in 2023 were 1,662 loans for \$42.5 Million vs 1,145 loans for \$39.3 million in 2022. Loan losses are substantially below the California and national averages. Shares grew by \$6.2 million with the number of members growing from 12,272 to 12,532. You accomplished all of this with an economy still experiencing the Federal Reserve increasing rates for most of the year and high prices for the stuff we buy.

Our credit union is well postured with sufficient liquidity based on a well-managed short-term investment portfolio to meet the loan requirements of the membership for 2024. Our capital ratio increased from 8.5 percent in 2022 to 8.7 percent in 2023. While the ratio is still below our target 10 percent (the national average is slightly over 11 percent), progress has been made with positive net earnings over the last two years. The much-improved net earnings and ratio are funding much needed improvements in products and delivery systems started in 2023 and expanding in 2024. With continue member support, your credit union is well postured to meet your financial needs and your neighbors financial needs in the 2024 and beyond.

SUPERVISORY COMMITTEE REPORT

Safe, Sound, and Well-Managed

The Supervisory Committee is composed of member volunteers who are responsible for ensuring the credit union follows established policies and procures to stay in compliance with all state and federal regulations. Reporting directly to the credit union's Board of Directors, we ensure that Edwards Federal Credit Union's (EFCU) financial statements are accurate and that they provide an accurate assessment of the financial condition of the EFCU. We are also responsible for confirming that management practices and procedures successfully safeguard members' assets.

During 2023, we oversaw two annual external audits. Both the National Credit Union Administration (NCUA) and our independent public accounting firm of Moss Adams completed examinations of the credit union's records, policies and the security of the credit union's computer systems.

Based on the results of these examinations we are able to assure our members that Edwards Federal Credit union continues to follow all laws and regulations and we are considered safe, sound, and well managed.

The Supervisory Committee is the liaison between the members and the Edwards Federal Credit Union and consists of 3 members Charlene Acosta, Melvin Joya, and James Royal. We are here to help you with any assistance you may need whether it's a problem or you have something positive related to your experience we would like to hear from you.

**Contact us via our website (under the CONTACT section) or write to:
Supervisory Committee, 39963 10th Street West,
P. O. Box 4, Palmdale, CA 93551**

Ardith Richardson
Acting Chair – Supervisory Committee

Financial Report

December 31, 2023 and 2022 (Unaudited)

CONSOLIDATED STATEMENT OF FINANCIAL CONDITION

ASSETS	2022	2023*
Cash and Cash Equivalents	\$22,306,967	\$16,178,210
Loans Receivable, net	107,865,585	124,512,147
Investments	113,367,423	111,254,354
Property and Equipment, net	10,401,022	10,105,460
Share Insurance Deposit	2,318,065	2,486,372
Other Assets	5,361,237	5,496,210
TOTAL ASSETS	\$261,620,299	\$270,032,753
LIABILITIES & MEMBER EQUITY		
Accrued Expenses and other Liabilities	\$ 2,517,549	\$1,635,447
Members' Shares	246,560,551	252,807,413
Total Equity	12,542,199	15,589,892
TOTAL LIABILITIES AND MEMBER EQUITY	\$261,620,299	\$270,032,753

December 31, 2023 and 2022 (Unaudited)

CONSOLIDATED STATEMENT OF INCOME

INTEREST INCOME	2022	2023*
Interest on Loans	\$4,564,788	\$6,487,232
Interest on Investments and Cash Equiv	1,800,651	3,135,694
	\$6,365,439	\$9,622,926
INTEREST EXPENSE		
Dividends on members' and borrowed funds	\$272,531	\$1,445,935
Net Interest Income	6,092,908	8,176,991
Provision for Loan Losses	(227,800)	(234,667)
Net Interest Income after Provision for Loan Losses	\$5,865,108	\$7,942,325
NON INTEREST INCOME/(LOSS)		
Income from Services	\$1,047,494	\$983,567
Miscellaneous Income	2,022,214	1,311,622
Non Operating Income/(Loss)	\$3,069,708	\$2,295,189
GENERAL AND ADMINISTRATIVE EXPENSES		
Salaries and Benefits	\$3,423,001	\$3,757,621
Operations	4,030,021	4,265,103
Occupancy	483,769	543,869
	\$7,936,791	\$8,566,593
NET INCOME (LOSS)	\$998,025	\$1,670,921

BOARD OF DIRECTORS

Martin O'Brien
Chair

Lindsay Harris
Secretary

Ron Guyadeen
Director

Kim Dunham
Vice Chair

Ron Davino
Director

Don Sullivan
Treasurer

Ardith Richardson
Director

SUPERVISORY COMMITTEE

Charlene Maldonado
Chair

Melvin Joya
Member

James Royal
Member

LEADERSHIP TEAM

Carter Pope
President and
Chief Executive Officer

Jackie Taqué
Chief Experience Officer

Sandra Groover
Chief Information Officer

Tina Rice
Chief Financial Officer



Branch Locations

PALMDALE

39963 10th Street West, Palmdale, CA 93551

Mon-Fri 9AM - 6PM, Saturday 9AM - 5PM

Phone: 661.952.5945

Fax: 661.942.3573

EDWARDS AFB

10 South Muroc Drive, Edwards AFB, CA 93524

Mon-Fri 9AM - 5PM

Phone: 661.952.5945

Fax: 661.942.3573



 661.952.5945 | 877.256.3300 toll-free

 eMemberService@EdwardsFCU.org  www.EdwardsFCU.org

Federally insured by NCUA.