



2013

Annual Report

 **FirstFinancial**
CREDIT UNION





PRESIDENT'S MESSAGE

Ron Moorehead

First Financial Credit Union has remained true to what being a financial cooperative is all about, demonstrating the “People Helping People” spirit. Our focus remains becoming more efficient, continually improving our delivery channels, and strengthening our community ties and volunteer initiatives.

We have made significant investments in our technological infrastructure, giving us the ability to continue to enhance our products and services. In 2013 we launched a new member website, with more user-friendly features, that makes it easier for members to quickly locate the information and services they need.

Throughout the years we have continuously improved the online/mobile experiences, striving to make it full service – allowing members to do everything they can at a branch, but virtually. Moving into 2014, we will continue to offer new technology to deliver you more eServices, such as eReceipts and eDocuments, that like eStatments, offer you more protection against identity theft.

In 2013 we continued to educate our youth through financial literacy trainings and events. We held several reality fairs for students in the Gallup high schools, where over 200 students learned how to spend money wisely in a reality setting. In 2014 we will continue with financial education, and will be giving presentations in high schools throughout

New Mexico. We will also soon be launching an innovative financial literacy center at our Mesa View Branch in Gallup, where members can learn through interactive programs and seminars.

I'm proud to say that when we grow, so does our commitment to service. In 2013, we expanded our market footprint in the far Northeast Heights in Albuquerque through the opening of our 13th location, the Academy Branch.

In 2014, we will continue to make your credit union an even more valuable resource for our members. With our successful combination of product variety, financial education and technological innovation, we continue to work tirelessly to ensure that everyone receives the most out of their membership with First Financial. We are proud to serve you and enrich your financial lives.



eStatements • eReceipts • eDocuments

Using the FFCU App, click on the Mobile Deposit icon.



CHAIRMAN'S REPORT

Cassie Kelly

Our credit union was founded 77 years ago, and yet today we remain focused on the same mission –“People Helping People”. We do not have customers, we have members. Every single person who has an account with us is an owner of First Financial Credit Union.

We believe in building relationships, not just bottom-line numbers. First Financial Credit Union continues to support the communities we call home. Credit Union employees contributed their time, talents and money to multiple charities and events, such as Big Brothers and Big Sisters in Gallup, To Autism With Love and St. Martin's Hospitality Center, just to name a few. First Financial was again a flagship sponsor of the 2013 Making Strides Against Breast Cancer, and raised a remarkable \$51,000! We also sponsored the athletic programs of 13 high schools around New Mexico.

In 2013, we focused our marketing efforts on “Doing good FIRST”. Random individuals were surprised by our “Bling Team” paying for their grocery bills, gas, and other necessities that helped them out financially. This year we will be starting a movement “Blinging Change” where we inspire others to live the credit union philosophy “People Helping People”. Our goal is to create opportunities that will help shape the future instead of just being part of it.

In 2013, the Board of Directors had the distinct pleasure of announcing the appointment of Ron Moorehead to the position of President and CEO.

Since inception, credit unions have been tax exempt, which allows us to pass down our “not for profit” benefits to our members through lower loan rates and higher savings rates. Over the years, banks have fought our tax exempt status stating that credit unions have an unfair advantage. First Financial's Board of Directors and Management Team will continue to advocate on our member's behalf, and help demonstrate to Congress how important their support is for keeping our tax exemption.

It has been my honor to serve the members of First Financial Credit Union in 2013 as Chairman of the Board, and I look forward to continuing my service to such a fine and committed organization. On behalf of the Board of Directors, I thank you for supporting the Credit Union and continuing to share in its success.

BLINGING
team

Do Good FIRST!

Get a PINK porch light bulb for a \$5 donation to breast cancer.

First Financial CREDIT UNION NCUA

CLEAR CHANNEL

SUPERVISORY COMMITTEE REPORT

Raul Arroyo Jr.

The Supervisory Committee ensures that the Board of Directors and credit union management meet required financial reporting objectives and establish practices and procedures sufficient to safeguard members' assets. This is accomplished through a combination of internal audits and external examinations.

Internal audits performed by the Director of Internal Audit evaluate the internal controls established by the Credit Union for effectiveness, adherence, and compliance with regulatory requirements.

External examinations are performed periodically. In 2013, examinations were conducted by our federal regulator, National Credit Union Administration (NCUA), our State regulator, NM Financial Institutions Division, and an independent certified public accountant firm, Nearman, Maynard, Vallez CPAs.

Additionally, in accordance with our Credit Union Bylaws, a verification of members' share and loan accounts was conducted effective September 30, 2013.

The Supervisory Committee is also the advocate for members who have concerns or may need assistance resolving a problem encountered in transacting business. Members may contact the Supervisory Committee at P.O. Box 26926, Albuquerque, NM 87125.

being a
FIRST is
Awesome!

Based on the above actions and results, the Supervisory Committee is pleased to report (i) the accounting records and financial reports of First Financial Credit Union are accurately stated in all material respects, (ii) adequate internal controls are consistently used in daily operations, (iii) all examiner issues or concerns have been addressed, and (iv) First Financial Credit Union is financially secure and dedicated to serving its members.



NCUA



TREASURER'S REPORT

JOHN BLUMENTHAL

2013 continued to be a challenging time financially for many New Mexicans. For a variety of reasons, the economy in New Mexico has not recovered as quickly as in surrounding states, and we continue to face limited job opportunities and a sluggish housing recovery. At a national level, the Federal Reserve continued to keep interest rates artificially low throughout 2013, but with improvements in the national economy, started tapering their “quantitative easing” bond purchases in December.

Political forces kept the national government from addressing the budget and economic issues in a clear and effective manner throughout most of 2013, eventually causing a governmental shutdown in early October. First Financial responded with special programs including loan payment deferrals for those members affected by the shutdown.

Despite all of the economic challenges, First Financial Credit Union continued to grow during 2013. Membership increased by over 7%, ending the year with 57,494 members. Net interest income grew by \$1.2 million, deposits grew by \$15.8 million, and a new branch was opened at Academy and Eubank, bringing the total number of branches to 13. Having twice as many branches as our peers is part of our strategy to provide you with convenience and an outstanding member experience.

Despite challenges in the business and automobile financing portfolios, the Credit Union remained strong, with net worth ending the year at \$36.7 million and 8.84% of assets.

Your Credit Union is investing in advanced technologies to better serve your financial needs. As the financial services industry continues to change at an ever increasing pace, your Board of Directors is committed to keeping the Credit Union and your financial future safe and secure.

2013

STATEMENT OF FINANCIAL CONDITION

FIRST FINANCIAL
CREDIT UNION
AS OF 12/31/13

ASSETS

	2013	2012
Loans	\$ 312,444,812	\$ 316,069,170
Allowance for Loan Losses	(4,228,384)	(3,669,153)
Net Loans	<u>\$ 308,216,429</u>	<u>\$ 312,400,017</u>
Cash & Investments	78,380,954	58,350,956
Fixed Assets	9,751,801	10,285,221
Other Assets	19,105,738	18,526,233
Total Assets	<u>\$ 415,454,922</u>	<u>\$ 399,562,426</u>

LIABILITIES & EQUITY

Current Liabilities	\$ 2,533,190	\$ 2,150,096
Member Shares	376,172,988	360,367,916
Retained Earnings	36,748,744	37,044,414
Total Liabilities & Equity	<u>\$ 415,454,922</u>	<u>\$ 399,562,426</u>

STATEMENT OF INCOME & EXPENSE

	2013	2012
Interest Income:		
Loans	\$ 16,636,628	\$ 15,756,443
Investments	355,285	345,894
Interest Expense:		
Dividends to Members	(1,859,840)	(2,170,277)
Interest on Borrowed Funds	(540)	(1,246)
Net Interest Income	<u>\$ 15,131,533</u>	<u>\$ 13,930,815</u>
Other Operating Income	9,011,047	7,952,030
Non-Operating Income	(787,940)	486,992
Operating Expense	(19,925,308)	(18,154,091)
Provision for Loan Losses	(3,725,000)	(1,212,000)
Net Income	<u>(\$ 295,669)</u>	<u>3,003,746</u>



1-800-342-8298

www.ffnm.org



ALBUQUERQUE BRANCHES

- Downtown: 601 Tijeras NW
- San Mateo: 2700 San Mateo NE
- Coors: 2929 Coors Road NW
- South Valley : 1625 Rio Bravo Blvd, SW Suite 6
- Juan Tabo: 831 Juan Tabo NE, Suite A
- Academy: 10400 Academy NE, Suite 150

RIO RANCHO BRANCH

- 2201 Rio Rancho Blvd SE

GALLUP AREA BRANCHES

- Boardman: 313 S. Boardman
- Mesa View: 1383 N. HWY 491

PINE HILL BRANCH

- Located in the Pine Hill Market, Route 125

ZUNI BRANCH

- 1202 East Highway 53

PORTALES BRANCH

- 700 W. 2nd

FARMINGTON BRANCH

- 4919 E Main St Suite 103

BOARD OF DIRECTORS

Chair - Cassie Kelley

First Vice Chair
Vincent Esparza

Second Vice Chair
Pablo Rael

Secretary/Treasurer
John Blumenthal

DIRECTORS

Boyd Miller, Ken Carson Sr.,
Loretta Montoya, Victor Padilla,
Cathy Thomas

SUPERVISORY COMMITTEE

Chair - Jennifer Walters
Secretary - Gloria Herrera
Member - Oliva Jimenez



Android App



iPhone App

