



2024 ANNUAL REPORT

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***"Responding
FIRST to the
financial
needs of our
members"***

2024

Annual Meeting - Virtual

Tuesday, April 22th, 5:30 pm



CT FIREFIGHTERS
FEDERAL CREDIT UNION

MINUTES *from the* 2024 ANNUAL MEETING

"Vendetta asked each reporting member to read aloud their report to the attendees.."

The 74th Annual (virtual) meeting was called to order by President Nicholas Vendetta at 17:31 hours. He ascertained that a quorum was present. He then appointed CEO Emerilda Zego as Recording Secretary. The minutes of the 2023 meeting were read by Zego. George Camarco motioned to accept, Brian Thompson provided a second. All aye. Next, President Vendetta asked each reporting member to read aloud their report to the attendees. Chairman, Treasurer, Lending, CEO, and Supervisory were all presented. President Vendetta next asked if there was any Old

Business to discuss - There was none. Under New Business - There was none. President Vendetta informed all present that one nominated member of the Board of Directors: Timothy Kelliher was up for re-election for 3-year terms. President Vendetta asked Vice President Brian Kennedy to endorse the nominated candidate. Kennedy made the one vote needed to endorse the slate. As a result, the one aforementioned candidate was elected to serve three-year term. President Vendetta then asked for a motion to adjourn. Timothy Kelliher motioned and Brian

Thompson Seconded. All aye. Meeting adjourned at 17:45. President Vendetta immediately called to order a special meeting of the membership to discuss expulsion of those members who caused the credit union a loss during 2023. Emerilda Zego reported that there was one member that cost us money during the year. The member name is Johns, C. totaling \$13,223.64. The members present were urged to vote "aye" and approve the expulsion of the member. George Camarco motioned and Brian Thompson seconded. All aye. We

are pursuing repayment on the account even though the member is being expelled. A motion to adjourn was made by George Camarco, Brian Thompson seconded. All ayes. There being no further business, the meeting was adjourned at 17:51 hours.

Respectfully
Emerilda Zego
Recording Secretary

MESSAGE *from the* CHAIR

" Our membership has grown to over 2000 members from fire departments all over the state..."

In celebrating our 75th year in business and as the Chair of the CT Fire Fighters Federal Credit Union, I am happy to report that as a credit union, we have had our most successful year that the staff or board can recall. At the direction of our CEO, Emerilda Zeqo, the credit union saw an income of four times our annual average. The board recognizes the tremendous asset that we have in Emmy and showed our appreciation with the Award of Excellence that was presented to her in December. The board of directors is grateful to our credit union staff for their dedication to providing personalized service to our members daily. In October 2024, we welcomed Mario Oquendo as a new

member of our Board of Directors. We welcome Nayelie Sanchez and Karlene Tulier to the CTFFCU Team and want to recognize the work of Cassandra Wilke as the new Loan Officer and Cathy Moree as the Controller and right-hand to our CEO.

Our membership has grown to over 2000 members from fire departments all over the state, and our assets have grown to just under \$30 million. To meet the needs of expanding membership, we have significantly improved our website and online banking to provide easier access to their finances wherever they are. In online banking, the risk of fraud has increased, and all the staff at the credit union work diligently to protect all our members from email scams and false phone

calls or text messages. The credit union has launched programs for the children of our members so that they can learn ways to manage their finances and gain financial independence. The credit union has partnered with online search tools to assist with purchasing new or used vehicles. It continues to expand its Mortgage, Home Equity, and HELOC programs to help its members.

The board is excited to share that we will celebrate this 75th anniversary milestone with an Anniversary Banquet on Tuesday, June 17, 2025, at Elizabeth's Bar & Grill, 825 Cromwell Ave in Rocky Hill. All members should receive notice with their monthly statements, via email

and text. We hope to see as many members as possible. We all recognize that 75 years is a long time and hope that it's still only the beginning.

As we see uncertain times ahead in the economic landscape, the board is confident that we have the right team to handle whatever comes our way.

Thank you to everyone who makes this credit union so much more than just a financial institution, but a family.

Respectfully,
Brian Thompson
Board Chair

MESSAGE *from the* CEO

"This year we also commemorate our 75th anniversary"

Reflecting on 2024: A Year of Growth and Progress at CT Firefighters FCU

As we look back on 2024, CT Firefighters Federal Credit Union is proud to celebrate a year marked by growth, resilience, and meaningful progress. This year we also commemorate our 75th anniversary — a milestone that highlights our longstanding commitment to serving those who serve others. A significant highlight of the year was our name change to CT Firefighters FCU, a move that better reflects our mission and dedication to the courageous individuals of Connecticut's fire service — and the broader communities we proudly serve. In 2024, we were honored to support members across more than 40 towns statewide, and we are incredibly proud of all that we accomplished together.

Throughout the year, we remained focused on enhancing our products and services, streamlining internal processes, and investing in technological and digital improvements to better meet the needs of our growing membership. Despite economic headwinds, including persistent inflation and the Federal Reserve's modest rate decrease of just 0.75 basis points, we were here to support our members every step of the way.

To help ease financial pressures, we launched monthly promotional offers designed to provide value and relief. While we, like many in the industry, experienced liquidity challenges due to a drop in share deposits, we remained proactive by offering competitive share term rates, which helped attract new deposits, although at a higher cost

of funds.

In terms of personnel, we experienced change and opportunity. In November, Stela, our Loan Officer of two years, moved on to pursue new career opportunities. We were pleased to promote Cassandra Wilke to the role of Loan/Collection Officer and welcomed Nayelie Sanchez as a part-time Member Service Representative, and Karlene Tulier as a full-time Member Service Representative.

Despite the challenges, we ended the year strong:

- Net Capital Ratio: 11.24% — a solid indicator of financial strength
- Loan-to-Share Ratio: 70.97% — reflecting responsible and impactful lending
- Assets: Surpassed \$29 million, the

highest in our history

- Membership: Grew to over 2,000 members

At CT Firefighters FCU, personalized service is at the heart of everything we do. We are committed to ensuring each member feels valued, supported, and empowered to achieve their financial goals. Your success is our success — and we are honored to walk this journey with you.

As we look ahead to 2025, we're excited about the new opportunities that lie ahead.

Thank you for being a part of our CTFFCU family. Here's to another year of serving with heart, purpose, and dedication.

CT Firefighters FCU — Proudly Serving Those Who Serve .

Respectfully,

Emerilda Zego
Chief Executive Officer

REPORT *from the* TREASURER

" With all the stress on the economy, CTFFCU ended the year with a net profit of 247k...".

After another year of economic uncertainty, the Treasurer of the CTFFCU remained focused on our returns and impact to our capital. Inflation impacted everyone in 2024 as well as CTFFCU but we managed to keep our cost of operations and cost of goods down to help our bottom line. We are now at \$29 mm in Assets (3mm over a year ago). Our Year end Net Capital was 11.24%, way over the required 7% by the NCUA, who regulates all Credit Unions. We are

utilizing an outside consultant to assist with our ALCO reporting and projects. These meetings proved to be very informative and helped show that our credit union is moving in a strong direction. With all the stress on the economy, CTFFCU ended the year with a net income of \$247k, which, is the highest we have seen in a few years. Some highlights – Assets grew 14%, Liabilities dropped 15%, total loans increased 21% (with the addition of Participations, Loan to Share ratio increased to 70%,

Yield on investments increased 0.45bp and Delinquency remained very low at 0.02%. Each year, we hire the services of Whittlesey and Hadley to perform our internal audit and BSA/ACH audit. I am happy to report that CTFFCU came through these audits with very high remarks, no critical findings and in excellent financial standing. Your credit union remains financially strong and maintains the structure to weather the hardships that

others may not be able to endure. We were healthy enough to offer various promotions as well as invest in our ability to serve you with new products and services putting us in a better position to compete with the big banks but with better and personalized member service.

Please see the enclosed financials, and reach out to me with any questions.

Respectfully,
George Camarco
Treasurer

REPORT *from the* SUPERVISORY COMMITTEE

" all areas of the Credit Union received Exceptional status reports..."

The Supervisory Committee is responsible for the auditing of the credit union's financial statements and performing member statement of account verifications. This has been accomplished by selecting, hiring, and facilitating an audit by independent certified public accountants. CT Firefighters Federal Credit Union hired the firm of Whittlesey, LLC to perform the audit for the year ending December 31, 2024. The Supervisory Committee then reviews reports

issued by them with accompanying follow-up procedures performed as necessary. Whittlesey, LLC was also hired to perform both BSA/AML and ACH audits assuring that we follow all regulatory requirements set forth by the NCUA. Audits of our IT security, Business Continuity, Disaster Recovery Planning, and Internal and External vulnerabilities are also tested annually. Finally, we audit the financials of our most critical vendors via our Vendor Management

program. The Supervisory Committee meets monthly to audit internal controls including Cash Management, Loan Review, ACH processes and Closed Accounts. This comprehensive internal audit schedule for the year was developed between the Supervisory Committee and Management. The schedule was designed so that the appropriate areas of the credit union are addressed based upon the overall risks to the credit union. We are happy

to announce that all areas of the Credit Union received Exceptional status reports including a Camel 2 from the NCUA. Your money is safe here at CTFFCU. Your Supervisory Committee continues to focus on ensuring that proper controls exist and are functioning at CT Firefighters Federal Credit Union.

Respectfully ,

Peter Towey
Supervisory Chairman

REPORT *from the* LENDING DEPARTMENT

"We were able to keep the momentum and book more loans than the prior year"

I am honored to have the opportunity to serve as the new Loan and Collection Officer. I officially took over the lending role in November of 2024. This past year has been an exciting period of growth for the credit union, and I am eagerly looking forward to continuing that momentum, while expanding our lending services to both existing and new members.

We saw a 7.5% increase in total loan dollars compared to 2023, bringing our disbursement total to 8.8 mm in 2024. Disbursement by loan category included 1.3 mm in Unsecured loans, 3.1 mm in Home Equity and 4.3 mm in Auto loans which alone accounted for half of

our total loan volume for the year.

While the credit union has experienced steady growth in loan volume, loan dollars, and revenue, our underwriting policies remained consistent. When we are unable to approve a loan request, we make it a priority to meet with the member to review the credit report and offer education and guidance. Our goal is to help them build a plan and timeline for future loan eligibility. These efforts are reflected in our continued low delinquency rate, even as we expand. Although we did experience charge-offs in 2024, they did not affect our reserves required by NCUA.

In these uncertain economic times, it is

more important than ever to support our members. We do so by offering lending rates that outshine those at dealerships and by protecting our members from predatory rate hikes or the risk of becoming over extended due to inflation. Your credit union's rates have remained low since before covid, with only one increase in 2024.

As we look forward to 2025 our efforts to protect our members will adapt as needed to navigate the potential risks our members and the credit union faces. We will continue to periodically review policies and procedures to minimize the risk potential as much as

possible.

A special thank you to all our members who support our credit union. Whether through using our free checking accounts or taking advantage of our highly competitive Share certificate rates. The same gratitude is extended to those of you who help to spread the word about our excellent rates and personalized service to new Fire Departments we have yet to reach. Your continued loyalty makes our success possible!

Respectfully,

Cassandra Witke

Loan & Collection Officer

REPORT *of* FINANCIALS

| Financial Report as of December 31, 2024 | | | |
|--|-------------------------------|-------------------|-------------------|
| Assets | | 2024 | 2023 |
| | Loan to members | 17,992,942 | 13,257,965 |
| | ACCUM Asset Depreciation | (470,030) | (459,297) |
| | Allowance for Loan Losses | (37,465) | (19,163) |
| | CU Check Clearing Acc | (96,771) | (105,895) |
| | Cash | 145,830 | 201,356 |
| | Investments | 9,150,000 | 9,215,000 |
| | Accrued Income | 60,323 | 55,075 |
| | Prepaid & Deferred Expense | 106,220 | 102,460 |
| | Land | 95,672 | 95,672 |
| | Building | 327,400 | 324,778 |
| | Furniture & Equipment | 106,032 | 104,393 |
| | NCUSIF Deposit | 229,552 | 235,994 |
| | OREO | 0 | 0 |
| | Other Assets | 2,246,636 | 3,091,633 |
| | TOTAL | 29,856,341 | 26,099,971 |
| Liabilities & Equity | | | |
| | Accounts Payable | 51,745 | 41,553 |
| | Other Liabilities | | |
| | Taxes Payable | | |
| | Shares | 26,447,377 | 22,948,646 |
| | Regular Reserve | 756,594 | 756,594 |
| | Undivided Earnings | 2,600,625 | 2,353,178 |
| | Unrealized Inv. Gain/Loss | 0 | 0 |
| | TOTAL | 29,856,341 | 26,605,837 |
| Income and Expense Statement | | 2024 | 2023 |
| Income | | | |
| | Interest on Loans | 773,584 | 560,539 |
| | Income on VISA | 221,459 | 213,542 |
| | Income on Investments | 165,473 | 200,904 |
| | Fees and Charges | 163,291 | 165,347 |
| | Other Income | 19,956 | 20,257 |
| | TOTAL | 1,343,763 | 1,160,588 |
| Expenses | | | |
| | Compensation | 279,122 | 255,562 |
| | Employee Benefits | 46,301 | 58,991 |
| | Travel & Conference | 9,805 | 7,010 |
| | Association Dues | 4,156 | 4,132 |
| | Office Occupancy | 73,800 | 75,321 |
| | Office Operations | 71,906 | 72,628 |
| | Credit/Debit Card Processing | 177,415 | 157,481 |
| | Projects | 5,030 | 3,457 |
| | Marketing | 6,806 | 7,253 |
| | Loan Servicing | 30,277 | 41,969 |
| | Professional/Outside Services | 154,428 | 141,725 |
| | Federal Operating Expense | 25,128 | 22,546 |
| | Provision for Loan Loss | 47,000 | 2,000 |
| | Cash Over/Short | (170) | 134 |
| | Interest on Borrowed Money | 7,412 | 47,289 |
| | Annual Meeting/Picnic | 4,500 | 3,600 |
| | Miscellaneous | 0 | 1,000 |
| | TOTAL | 942,916 | 902,099 |
| | Non-Operating Gain/(Loss) | (4,500) | (4,500) |
| | Gain/Loss on Investments | 0 | 61,928 |
| | Dividend Expense | 157,900 | 48,564 |
| | Annual Gain/(Loss) | 247,447 | 152,498 |

STAFF *and* **BOARD OF DIRECTORS**

Staff:

| | |
|------------------------|----------------------------|
| Emerilda Zeqo | CEO |
| Cathy Moree | Controller |
| Cassandra Wilke | Loan Officer / Collections |
| Karlene Tulier | Member Services |
| Nayelie Sanchez | Member Services |

Board of Directors:

| | |
|-------------------------|-----------------------|
| Brian Thompson | Chair |
| Brian Kennedy | Vice President |
| George Camarco | Treasurer / Secretary |
| Helene Lynch | Director |
| Pete Towey | Director |
| Timothy Kelliher | Director |
| Mario Oquendo | Director |

Supervisory Committee:

| | |
|-------------------------|--------|
| Pete Towey | Chair |
| Helene Lynch | Member |
| Timothy Kelliher | Member |
| Mario Oquendo | Member |

