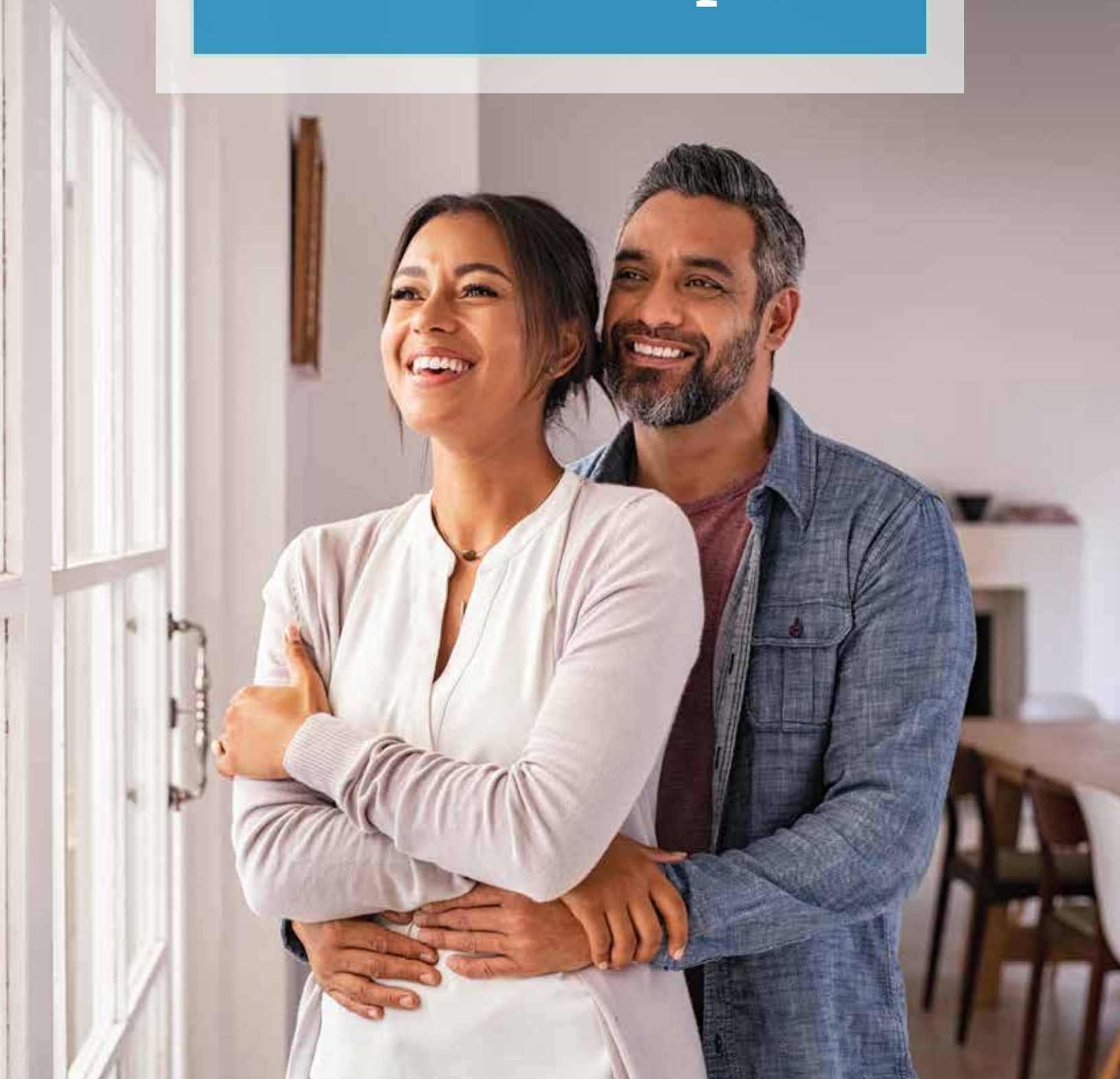


2024

Annual Report



Together ahead

LBS Financial 
CREDIT UNION

Vision Statement

To be the most highly desired and Member-valued financial institution in Long Beach and surrounding communities.

Mission Statement

To provide Member-owners with Extraordinary Service Experiences and desirably convenient products and services that enhance their financial well-being.

Brand Values

- Member Focus
- Relationships
- Transparency
- Education



LBS Financial hosted a Bite of Reality at Wilson High School on April 16th. Over 30 LBS CARES employee-volunteers supported the event where students were given an occupation and persona and the opportunity to manage a budget.



Best Credit Union

For fourteen years straight, LBS Financial Credit Union was honored to be named Best Credit Union in the Greater Long Beach area by Press-Telegram readers. Readers of the Beachcomber newspaper in East Long Beach also voted LBS Financial the Best Credit Union for the twelfth year in a row in 2024.



LBS Financial was the title sponsor of the Long Beach Classic 5K and Half Marathon on June 9th at Marine Stadium. LBS Financial employees participated in the run along with the LBS CARES Team who volunteered, handing out water and cheering on runners.



Recognized for our Financial Health

LBS Financial was given an A for health and stability by Depositaccounts.com in 2024. BauerFinancial, an independent third party that rates credit unions and banks on their financial health, continued to rate LBS Financial with 5 Stars out of 5 possible.



LBS CARES employee-volunteers supported the Assistance League of Long Beach's Operation School Bell on September 26, 2024, preparing backpacks with uniforms for students in LBSUD.



LBS Financial was the presenting sponsor of California State University Long Beach's 75th Anniversary. The LBS Financial Team joined the community at the kick-off event on Saturday, September 28, 2024.

LBS Financial Credit Union Leadership

Board of Directors

Our volunteer Board of Directors are elected by you, our Members, to ensure the Credit Union follows its mission statement and is driven by our vision of being the most highly desired and Member-valued financial institution in the local area. Each Director is chosen by the Membership to serve a three-year term.



Chair
Dr. Jay Camerino



Vice Chair
Dr. Larry Natividad



*Secretary/
Treasurer*
Dr. John Fylpaa



Board of Director
Dr. Satinder Brar
Hawkins



Board of Director
Narin Khy-Ly



Board of Director
Pamela Seki



Board of Director
Luther W. Williams

Supervisory Committee

Acting as a Member advocacy group, this strategic team oversees the security of Members' Share Savings accounts by reviewing annually required audits, verifying closed accounts and enforcing Board policies.



PICTURED LEFT TO RIGHT:
David Conrad, *Chair*
Alan Ray, *Member*
Mark Aldrich, *Member*

Executive Management Team



Sean Hardeman
President & CEO



Branch Locations

Bixby Knolls

4436 Atlantic Avenue
Long Beach, CA 90807

Cerritos

11239 183rd Street
Cerritos, CA 90703

CSULB

Beach Shops Bookstore
6049 East 7th Street
Long Beach, CA 90840

East Long Beach

4341 East 10th Street
Long Beach, CA 90804

Lakewood

4916 Bellflower Boulevard
Lakewood, CA 90713

Long Beach Marina

6457 East Pacific Coast Highway
Long Beach, CA 90803

Los Altos

6417 East Spring Street
Long Beach, CA 90808

Mailing Address

P.O. Box 4860
Long Beach, CA 90804-0860

To Our Member-Owners



As a not-for-profit cooperative, when your Credit Union earns income it is returned back to the Membership through lower fees, competitive rates, financial education, and enhancements to services. In 2024, we were pleased to deliver many upgrades and improvements to services while continuing to provide exceptional rates and low fees.

Below is a list of the highlights:

- Our Bixby Knolls branch opened for full service on Saturdays beginning in January, providing consistent hours and services with the majority of our branches.
- The Credit Union launched a School Employee Home Loan for our school/college employees and a special Technology Loan for CSULB students, faculty and staff at Beach Shops on campus.
- Enhancements were made to our Online and Mobile Banking throughout the year including enhancements to Bill Payment within the Mobile Banking app, the addition of LBS EasyPay within both Online and Mobile Banking, and improvements for our Members with credit cards to view their transactional history.
- All of the Credit Union's ATMs were replaced in 2024 with newer ATMs that will allow us to roll out a tap feature later this year.
- A partnership with Autoland was launched in the summer to provide Members with access to their concierge auto buying solution, including the ability to configure vehicles online.
- Additional terms from 36-60 months were added for the Credit Union's Individual Retirement Account (IRA) Certificates.
- We are proud to report an outstanding average satisfaction score of nearly 93% from all Member surveys conducted in 2024, including random Member satisfaction surveys and post-transactional surveys.
- Our commitment to community engagement was evident through our LBS CARES Volunteer Program, where employees, friends, and family collectively volunteered over 632 hours at 13 events hosted by local non-profits or within the community.
- We paid over \$31 million to our Members in dividends in 2024, a 61% increase compared to 2023.

On August 23rd we unfortunately closed our Newport-Mesa branch. The building owner sold the property to new developers who are redeveloping the land for residential purposes. While we will not be opening a new branch in the immediate vicinity, please know that we are continually evaluating our branch locations to ensure we are serving the majority of our Membership.

On behalf of our Board of Directors, leadership team, and our employees, thanks for the opportunity to serve you and your family with your financial needs. We are grateful for your trust and support.

Together ahead!

Dr. Jay Camerino, *Chair*

Sean Hardeman, *President & CEO*

Treasurer's Report



Your Credit Union maintained strong financial stability in 2024 despite economic uncertainty. While there was a significant decline in inflation compared with the prior year, the Federal Reserve Bank cut their key interest rate three times in 2024 (totaling 1%) as inflation shifted closer to their target rate. While these changes impacted savings rates slightly, savers had an exceptional year earning dividends, with LBS Financial paying over \$31 million to our Members.

- Total assets at the Credit Union increased by 3.7% (or over \$73 million), to \$2.04 billion.
- Net income was \$8.7 million with a return on assets of 0.43%.
- Our Net Capital Ratio at 13.23% by year-end, exceeded the 7% threshold mandated by the National Credit Union Administration to remain “well-capitalized.” This reserve serves as a safeguard against future economic downturns.

Below are some of the key ratios and numbers from 2024:

- Member loans decreased by 7.30%, declining by \$82 million.
- Total deposits at the Credit Union increased by 4.0% in 2024, totaling over \$67 million.
- With demand for loans down, investments increased by 18% (or \$138 million), to \$894.1 million.

Overall, your Credit Union continued to prioritize Member value by maintaining competitive rates and enhancing services to support our Members’ financial well-being. LBS Financial remains among the most financially strong credit unions in the state which allows us to continue to make improvements to benefit the Membership, regardless of the economic landscape. Thanks for choosing LBS Financial and allowing us to be with you every step of the way on your financial journey.

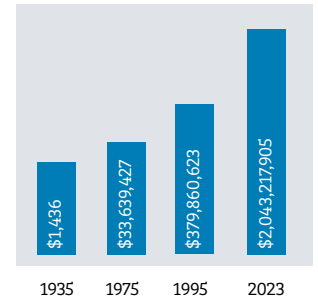
Dr. John Fylpaa
Secretary/Treasurer

Financials for 2024

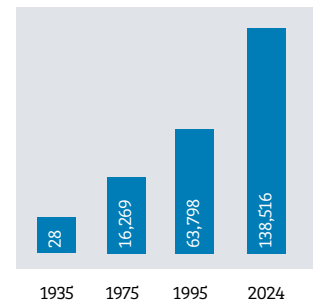
Statement of Financial Condition as of December 31, 2024

Assets	2023	2024
Cash & Federal Reserve Bank Deposits	\$ 115,507,725.82	\$ 247,961,069.94
U.S. Government & Federal Agency Securities	532,166,666.65	527,166,666.65
Other Investments	165,100,000.00	147,600,000.00
Member Loans, Accrued Income & Other Assets	1,151,369,434.97	1,114,397,773.77
Furniture & Fixtures	2,007,122.03	1,629,226.83
Prepaid Expenses	1,714,076.84	2,344,192.60
Land & Buildings	2,089,161.43	2,118,974.75
Total Assets	\$1,969,954,187.74	\$2,043,217,904.54
Liabilities & Equity		
Shares to Members	\$1,697,598,199.74	\$1,765,181,249.04
Other Liabilities	10,414,632.35	5,697,970.67
Regular Reserve & Undivided Earnings	261,536,874.69	270,245,660.83
Accumulated Other Comprehensive Income and Defined Benefit Plan	404,480.96	2,093,024.00
Total Liabilities & Equity	\$1,969,954,187.74	\$2,043,217,904.54

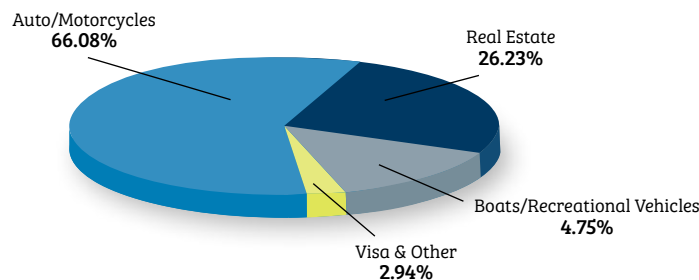
Asset Growth



Membership Growth



2024 Distribution of Loans



Gateway to the Community

LBS Financial Credit Union is a gateway to the communities we serve, connecting friends, family, and community in our efforts to enhance financial well-being. LBS Financial donated nearly \$198,000 in support of local schools and colleges, student scholarships, sponsorships, and charities in 2024. Below is a list of the groups LBS Financial supported:

- *ABC Education Foundation*
- *ABC Unified School District*
- *Adopt-a-School Program*
 - *Woodruff Elementary /Bellflower USD*
 - *Oropeza Elementary/LBUSD*
 - *Tracy Infant Center/ABCUSD*
- *Aquarium of the Pacific*
- *Arrowbear Music Associates*
- *Assistance League of Long Beach/Operation School Bell*
- *Belmont Shore Christmas Parade*
- *CANstruction Long Beach*
- *Cerritos College Foundation*
- *Cerritos Chamber of Commerce*
- *Children's Miracle Network/Children's Hospitals (Children's Hospital of Orange County and Children's Hospital of LA)*
- *City of Lakewood Concerts in the Park*
- *Cooper Steinhauser Foundation*
- *California State University, Long Beach (CSULB) & 49er Foundation*
- *Gems Uncovered, Inc.*
- *Historical Society of Long Beach*
- *Humansave*
- *Lakewood High School Seniors Project*
- *Lakewood Run/Soroptimist International of Lakewood*
- *Literary Women Long Beach Festival of Authors*
- *Long Beach Area Chamber of Commerce*
- *Long Beach Early Childhood Education Symposium*
- *Long Beach Classic 5K & Half Marathon*
- *Long Beach Century Club*
- *Long Beach City College*
- *Long Beach City College Foundation*
- *Long Beach Gives*
- *Long Beach Pride*
- *Long Beach Unified School District*
- *Long Beach Unity Festival*
- *Love Beyond Limits*
- *Miller Children's Hospital Foundation*
- *Moonlight Movies on the Beach*
- *Orange County Professional Firefighters Association*
- *Project Shepherd, Lakewood*
- *Scholarships to 38 local high school and college students*
- *Tichenor Clinic for Children*
- *Wilson High School*
- *Wrigley Area Neighborhood Alliance/Christmas Tree Lane*
- *YMCA of Greater Long Beach*
- *Young Horizons*

\$1,084,446

Donated to local schools and community groups since 2000

\$369,000

Provided in scholarships since 2000



\$2,000 Member scholarship winners, Lauren G. & Sydney F.



Financial Services Especially for You



Member Accounts

- Free Checking with eStatements, Interest Checking, Direct Deposit, Visa Debit Card
- Savings Accounts
- Share Certificates
- Money Market Account
- Summer Savings Account for School Employees
- IRA (Individual Retirement Account) Certificates
- Youth Accounts

Convenient Access

- **Digital Self Services** – Mobile Banking, Mobile Deposit, Online Banking, Bill Payment, eStatements/eDocuments
- **Call Center & Phone Banking** – Local call center support during business hours plus automated, voice-activated account access by phone through HomeTeller.
- **ATM Network** – 30,000 free CO-OP® Network ATMs nationwide – plus no surcharge at all LBS Financial and F&M Bank ATMs
- **Seven branch offices** – Bixby Knolls, Cerritos, CSULB, East Long Beach, Lakewood, Long Beach Marina, and Los Altos
- **CO-OP Shared Branching** – Access to more than 5,000 Shared Branches internationally

Consumer Loans

- Auto and Motorcycle
- Recreational Vehicle, Boat and Powersports
- Personal or Signature
- Visa® Credit Cards
- Technology Loans (CSULB students, faculty, and staff purchasing at Beach Shops)

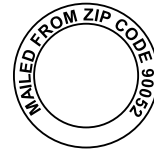
Real Estate Loans

- Home Purchase & Refinance Loans
- Fixed and Adjustable Rate Mortgages
- School Employee Home Loan
- Home Equity Line of Credit
- Home Equity Loans



Other Services

- Investment options
- Auto, home and life insurance
- Auto purchasing resources – Autoland, AutoSmart, and Enterprise Car Sales
- Access LBS Financial auto loans directly at your local dealership



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Annual Report