

YEAR IN REVIEW



*Forward
Thinking*
IN MOTION

2023 Annual Report



First Florida
CREDIT UNION
Enriching People Every Day.®



Chairman's and President/CEO's Report

Thank you for your continued support and trust in First Florida Credit Union as your financial partner. The last few years have brought unprecedented changes to all areas of life, from an evolution in how we work to drastic swings in the housing market to soaring inflation and historical rate fluctuations.

First Florida has been at the forefront of helping members navigate this new financial terrain. We've been agile and adaptive, found ways to make a positive impact, and, most importantly, supported the changing needs of the membership at every turn.

It has been our privilege to serve you throughout 2023, and we always stay committed to your financial well-being.

FINANCIAL SUMMARY

First Florida's long-term financial success is driven by our ability to attract deposits competitively and lend to members while keeping our eyes on changing behaviors and the future. We refer to this strategy as smart growth, and it's how we continue to fulfill the memberships' needs.

At the end of 2023, we reported total assets of \$1.36 billion. Our net loan portfolio grew by \$32.8 million. Loan growth for the year exceeded expectations and helped to offset the rise in the cost of funds for increased deposit rates paid to members.

We ended the year with a strong net worth ratio of 12.97%, well above the 8%, which the National Credit Union Association considers a well-capitalized credit union. The net worth ratio measures the capital strength of a credit union (retained earnings divided by total assets). A strong capital position allows our credit union to continue to invest in projects that provide value to you, our membership.

ACCOMPLISHMENTS

We've taken a shorter-term approach to achieving long-term success to remain agile in this environment. Our Strategic Business Plan now reflects a three-year road map rather than five years. It concentrates our efforts on core areas for development that yield long-term results, such as streamlining processes and technology, elevating the member experience, and cybersecurity.

This past year, we gathered everything we've learned since the pandemic and systematically implemented improvements. These accomplishments are not the ones we share in announcements or for which we receive awards. However, they are why we maintain a reputation for high member satisfaction, are consistently recognized for our performance, and retain qualified employees committed to our members' financial well-being.

In Cybersecurity, we implemented a digital banking fraud prevention tool that analyzes behavioral patterns to identify potential fraud. Of the accounts flagged by the new tool last year, approximately 10% were confirmed fraudulent attempts and were intercepted by early detection. We also instituted a more robust Scam and Fraud Education, referred to as S.A.F.E., that includes more member resources and communication through our online channels.

We updated systems to improve member experience, which allows members to do more within digital banking. Improvements include applying for a loan, opening sub-accounts, and integrating instant access to mortgage accounts. We centralized all inbound branch calls and streamlined a more straightforward phone menu that ensures members reach the right representatives. In the branches, we remodeled the Northside Branch in Tallahassee, updated the CR 210 Branch in St. Johns County, and installed new ATMs at several locations.

We also integrated data software that helps First Florida anticipate members' needs based on the relationship with our organization and other behaviors. It gives our team important insight into what matters most to the members. This reduces generic communication and drives meaningful conversations with members.

In operations, we added new technology that enhanced our system for automating loan decisions. The enhancement increased auto loan approvals by 10% and streamlined the process for both employees and members. We also implemented quality control software that provides ongoing feedback to our representatives, resulting in more consistent service to the members.



RECOGNITIONS

Our 2023 year in review would not be complete without sharing our recognition and acknowledging First Florida's outstanding employees. Noteworthy recognitions include:

- **Best Bank/Credit Union by the 2023 Best of Bold City Community's Choice Awards.**
Our employees and the public voted First Florida the top award in the finance category, a distinction we're humbled to receive.
- **10 Most Trustworthy Credit Unions in Florida by CardRates.com.**
We were recognized under Best Community Outreach, acknowledging our work within the community and financial webinars.
- **Best Companies to Work For in Florida by Florida Trend Magazine.**
First Florida ranked eighth in the mid-size company category as one of only 100 companies in the state and the only Jacksonville-based credit union to earn the distinction in 2023.

These awards are the sum of countless meaningful daily interactions with our members and employees. They are distinctions we could not have earned without the day-to-day excellence demonstrated by our entire team.

COMMUNITY INVOLVEMENT

Our commitment to serving our members reaches beyond banking. Throughout the year, we actively take part in uplifting our communities through volunteering, fundraising, donations, and providing free financial education and resources that support the well-being of others. In 2023, we participated in numerous charities, including:

- Children’s Home Society Back-To-School Drive
- American Cancer Society: Making Strides Against Breast Cancer
- Tallahassee Memorial Healthcare: Flamingo Challenge
- Action News Family Focus: Tenikka’s Books for Kids
- Action News Holiday Toy Drive
- The Salvation Army of NE FL
- Second Harvest of the Big Bend

We entered our second year in partnership with Action News Family Focus in Jacksonville. This rewarding year-long partnership has involved First Florida and other local organizations in collecting over 7,234 books for kids, potentially saving 465 lives through blood drives, providing 14 large moving boxes of school supplies for students, helping five local military families, and collecting thousands of toys for kids during the holiday toy drive.

We also partnered with The Florida Times-Union and Jacksonville.com to present the Athlete of the Week. Each week throughout the school year in Jacksonville, one male and one female student-athlete are featured for their dedication to sports and academic achievement.

Writer and philosopher G. K. Chesterton said, “It is easy to be heavy; hard to be light.” That seems more true now than ever. What we consume in the news, especially, can be challenging to hear and see. So, we partnered with WCTV Tallahassee to present their “Something Good” segment that brings heartwarming stories to uplift us and share more of the good that happens daily in our Tallahassee communities.

After a three-year pause due to the pandemic, we returned Camp C.E.O. (teaching teens to Chase Economic Opportunity). Our unique financial literacy camp offered 23 teens real-life, hands-on experience in budgeting, goal-setting, using credit wisely, managing credit cards, and more.





LOOKING FORWARD

While we can't predict what will happen in 2024, we are hopeful that it will be a fruitful year for the credit union and bring more stability and opportunity to our members. Our team's forward-thinking this past year will pave the way for the year ahead. All that has been accomplished excites us for what's to come.

As always, our focus is on enhancing the banking experience for our members and ensuring convenient access to financial resources such as digital banking, valuable loan products and services, financial education, branch locations, and member support. We're also focused on growing our membership to continue expanding the benefits of banking with First Florida. Together, we can create more access to meaningful banking that enriches people's lives.

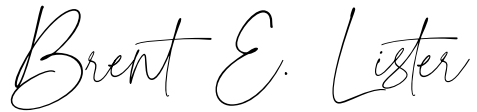
On behalf of the Board of Directors, Senior Management Team, and our employees, we would like to express our sincere appreciation for your membership and trust in us.

Respectfully Submitted,



Dean Willis, Chairman

Respectfully Submitted,



Brent E. Lister, President/CEO

Treasurer's Report

First Florida is a financial cooperative existing for our members' financial well-being. We believe anyone can be financially successful with the right tools and resources.

We provide value to our members as a financially strong credit union that can demonstrate a financial return on members' investments. In 2023, First Florida experienced growth and financial progress in key areas of loan and asset growth. As a result, we maintained a strong net worth position (12.97%) essential to the financial soundness of the credit union.

First Florida maintains a strong rapport with the membership, reflected by a substantial wallet share – averaging over \$29,500 per member, notably higher than industry averages. In 2023, we disbursed \$257 million in loans, resulting in an outstanding net loan portfolio of \$880.4 million. Net income for the year was \$7.4 million. In addition, we distributed approximately \$11.9 million to members in interest/dividends on savings, money markets, and certificate accounts.

We look forward to finding more ways to bring value to the membership and thrive together.

Respectfully Submitted — *Jonathan R. Lyon, Treasurer*

Credit Manager's Report

First Florida provides reliable loan products and valuable services to meet members' needs along their journey. In 2023, we experienced positive loan growth, ending with a total loan portfolio of \$889 million.

Loans are the credit union's primary source of income. This past year, we disbursed \$257 million in loans. \$114 million of the loans were new and used vehicle loans, while \$26 million were lines of credit, holiday loans, and other unsecured credit.

First Florida remained competitive in mortgage loans, assisting members with convenient and affordable financing solutions in their home-buying process. Of the loans disbursed, \$29 million was comprised of first mortgages.

As we go into the next year, we will continue to provide reliable and valuable loan products to meet members' needs at every step of their journey.

Respectfully Submitted — *Joey Carpenter, EVP/Operations*

Audit Committee's Report

The audit committee reports that all First Florida records of operation are in favorable order and sound financial condition. The committee, comprised of three directors, ensures that management and operations are functioning professionally within the framework of state laws and the policies set forth by the Board of Directors. The committee also ensures that internal accounting procedures comply with generally accepted accounting principles. An independent certified public accounting firm works closely with the committee.

Respectfully Submitted — *Kyle Peters, Audit Committee Chairman*

Balance Sheet

	2023	2022
ASSETS		
Net Loans	\$880,415,610	\$847,613,313
Cash	\$6,096,166	\$6,773,578
Investments	\$415,646,756	\$469,251,184
Fixed Assets	\$29,836,667	\$29,682,501
Other Assets	\$30,031,210	\$32,799,348
Total Assets	\$1,362,026,410	\$1,386,119,924

LIABILITIES/EQUITY		
Savings/Deposits	\$726,433,017	\$800,857,956
Certificates (term deposits)	\$338,383,271	\$283,243,542
Reserves	\$133,547,691	\$129,381,742
Other Liabilities	\$163,662,431	\$172,636,684
Total Liabilities/Equity	\$1,362,026,410	\$1,386,119,924

STATEMENT OF OPERATIONS		
Income		
Interest on Loans	\$39,444,363	\$31,033,125
Credit Card Income	\$1,836,224	\$1,609,968
Investment Income	\$9,871,557	\$7,274,163
Other Income	\$13,809,216	\$8,460,904
Total Income	\$64,961,360	\$48,378,160

DISTRIBUTION OF INCOME		
Dividends/Interest	\$11,939,787	\$3,701,352
Operating Expenses	\$45,646,092	\$37,147,124
Net Income	\$7,375,481	\$7,529,684

Board of Directors

Dean Willis	Chairman
Cornita A. Riley	Vice Chairman
Jonathan R. Lyon	Treasurer
Sandra Magyar	Secretary
Ken Jones	Director
Nancy H. Meier	Director
Kyle Peters	Director
Dr. Johnny Bowman, Jr.	Associate Director
Jennifer Martin	Associate Director

Management Team

Brent E. Lister	President/CEO
Joey Carpenter	EVP/Operations
Bradley A. Long	EVP/Finance
Michelle Troha	SVP/Marketing
Andrea Hurley	SVP/Risk Management
Joe Markley	SVP/Operations
Libby Polk	SVP/Administration
Tim Brown	SVP/Information Technology
Angela Garman	SVP/Audit and Project Management



2023 Accomplishments

- Integrated a digital banking fraud prevention tool that analyzes behavioral patterns to identify potential fraud
- Implemented new technology to automate more loan decisions
- Awarded top spot as Best Bank/Credit Union and Best Boss in the Top Employer category by the 2023 Best of Bold City Community's Choice Awards
- Named one of the Best Companies to Work For in Florida by Florida Trend magazine for the 10th year
- Recognized as one of the 10 Most Trustworthy Credit Unions in Florida by CardRates.com in the category of Best Community Outreach
- Maintained high levels of member satisfaction, as reflected in 2023 member satisfaction surveys



Enriching People Every Day.®

FirstFlorida.org

(800) 766-4328



Federally insured
by NCUA.