



# *A Future of* **Possibility**

2024 ANNUAL REPORT



**apgfcu**  
achieve. prosper. grow.®

# A Message from the Board Chair

Two thousand and twenty-four was a year of growth and achievement for your credit union. In addition to the strong financial results highlighted in this report, we continued to make progress in expanding our reach to even more people while maintaining our commitment to exceptional service. Membership grew by 6.9%, compared to the projected national credit union average of 1.8%. APGFCU is now nearly 170,000 members strong. Our expansion efforts have been thoughtful and strategic, ensuring we continue to meet the evolving needs of our members. This careful approach to growth, and continued focus on the values that define us as a cooperative financial institution, have provided greater opportunities for our members to protect and grow their wealth.

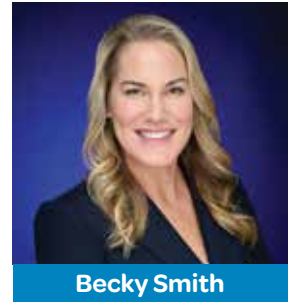
The past year also marked a significant transition with the retirement of long-time CEO Don Lewis. Don served the credit union for 45 years, with nearly 30 years as CEO. He led our organization with dedication, vision and integrity, leaving a foundational legacy for us to carry forward. Under his leadership, the credit union experienced tremendous growth and success. APGFCU is stronger than ever and well-poised to realize its potential to help present and future generations achieve, prosper and grow.



**Don W. Lewis**

On behalf of the board, I would like to extend my heartfelt thanks to Chuck Kelly, who served as interim CEO during the transitional period in 2024. Chuck provided outstanding leadership, ensuring operations continued smoothly and that our members' needs were met during this time of change. We are grateful for his guidance and for keeping APGFCU on course.

In January 2025, we announced the appointment of Becky Smith as our new president and CEO. Becky brings exceptional credentials, experience and a fresh perspective, which will be valuable as we navigate the opportunities and challenges ahead. We are confident that under her leadership, APGFCU will continue to thrive and serve members with a commitment to excellence.



**Becky Smith**

One of our key initiatives as a board has been an emphasis on recruiting volunteers to serve on our committees. We know the strength of our credit union lies in the collective effort of staff and volunteers. Our volunteers play a vital role in shaping the credit union's direction and ensuring that decisions reflect the needs of a diverse membership. We are grateful to those who have already volunteered their time and expertise, and encourage others to consider contributing to our continued success. Should you have an interest in learning more about becoming a credit union volunteer, please visit our website at [www.apgfcu.com/volunteers](http://www.apgfcu.com/volunteers) or email [volunteer@apgfcu.com](mailto:volunteer@apgfcu.com).

With an eye on the future, I look forward to the continued growth and success of APGFCU and the unwavering commitment of our dedicated volunteers, staff and leadership team.

**Donald J. Burnett, COL (Ret.)**  
*Chairman*

## 2024 BOARD OF DIRECTORS



### 1ST ROW (LEFT TO RIGHT)

**Donald J. Burnett, COL (Ret.)**  
*Chairman*

**Timothy A. Sherwood**  
*Vice Chairman*

**Emanuel C. Hatton**  
*Secretary*

**Cheryl D. Rice**  
*Treasurer*

**B. Daniel DeMarinis**  
*Assistant Treasurer*

### 2ND ROW (LEFT TO RIGHT)

**Michael L. Dixon, LTC (Ret.)**  
*Director*

**Paul D. Eikenberg**  
*Director*

**Wayne G. Taylor**  
*Director*

**Joseph A. Traino, III, LTC (Ret.)**  
*Director*

**Sherif Eskaros**  
*Associate Director*

### SUPERVISORY COMMITTEE

**Marjorie E. Warfield** *Chair*  
**Charles C. Gibson** *Secretary*  
**William Bunn**  
**Barry D. Decker, CSM (Ret.)**  
**Antha W. Edwards**  
**Louise Leon-Guerrero** *Alternate*

### OTHER VOLUNTEERS

**Sheri M. Austin**  
**John A. Blomquist**  
**Clinton Edmonds, Jr.**  
**Windsor L. Jones**  
**Maurice Tyler**

# A Message from Executive Leadership

APGFCU's 2024 results ran counter to nationwide trends for muted deposit, loan and member growth. While it was a challenging economic environment, through deliberate actions, APGFCU's growth rates in loans and members exceeded national and peer credit union averages. Strong growth continued in Harford and Cecil counties, where, combined, APGFCU has the largest market share of deposits among all financial institutions. Expansion continued in Baltimore County and Baltimore City, which are primarily served via digital and remote channels as we plan for future physical locations. Since 2022, the number of APGFCU members in Baltimore County and Baltimore City has doubled – from approximately 13,000 at year-end 2021 to nearly 26,000 at year-end 2024. Thirty-six percent of all new members who joined the credit union in 2024 were from Baltimore County or Baltimore City.

One of our priorities has been leveraging recent investments in technology to better serve the needs of our members. Enhancements were made to our internet loan application and online account opening processes to improve member convenience and efficiency. Technology upgrades in 2024 included the implementation of a new cloud-based phone system, which has helped reduce call handling and wait times. In addition, the transition to a new credit and debit card processor has resulted in enhanced fraud monitoring, and a more robust credit card rewards program.

Improving service delivery is one of the key initiatives of a larger five-year strategic plan launched in 2024. Other areas of focus include elevating member satisfaction, deepening member relationships and maximizing our community impact. We are committed to being a financial partner you can trust as your needs change throughout the various phases of life and evolving to serve the needs of generations to come.

Throughout 2024, consumers continued to feel the effects of high inflation and rising interest rates. More members fell behind in loan payments, and net charge-offs trended upward. Despite higher charge-offs, your credit union achieved strong net income and increased its net worth in 2024. APGFCU continues to be a safe place to both save and borrow. If you experience financial difficulty, remember your credit union is here to help with financial tools and resources, including counseling and loan repayment strategies to get you back on track. Help is just a phone call or click away.

APGFCU remains committed to further strengthening our foundation while embracing the opportunities ahead. We will continue to focus on expanding our reach and impact in both established and new communities, ensuring we meet the diverse needs of members. The future holds great promise, and we look forward to continuing to grow with you as your trusted financial partner.



Violet from APGFCU's M3 Money Club at the Money Power Day financial fitness fair in Baltimore.

## 2024 EXECUTIVE LEADERSHIP



### 1ST ROW (LEFT TO RIGHT)

**Charles E. Kelly, Jr.**  
*Interim CEO*

**Amber N. Askew**  
*Chief Financial Officer*

**Wayne A. Beall**  
*Chief Information Officer*

**Joelle C. Hash**  
*Chief Operations Officer*

**Gene E. LaCour**  
*Chief Administration Officer*

### 2ND ROW (LEFT TO RIGHT)

**Robyn M. Mannone**  
*Senior Vice President –  
Consumer Lending*

**Scott T. Weaver**  
*Chief Lending Officer*

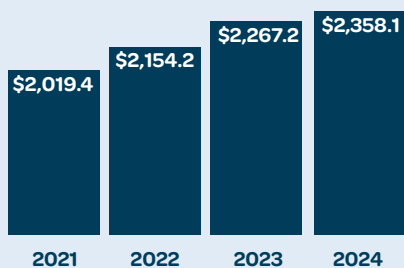
**Brian E. Wilcox**  
*Chief Marketing Officer*

**Stephanie A. Provenza**  
*Executive Assistant  
to the CEO*

We are committed to being a financial partner you can trust as your needs change throughout the various phases of life.



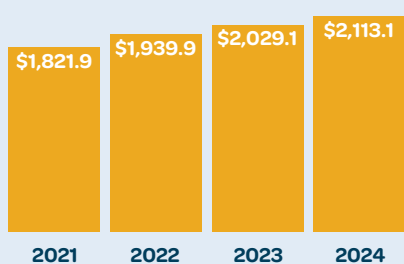
## ASSETS (\$ IN MILLIONS)



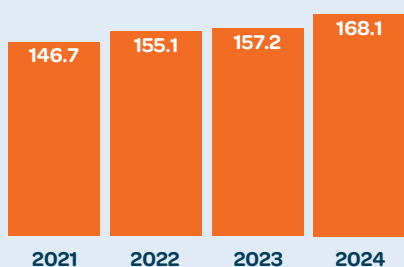
## NET LOANS (\$ IN MILLIONS)



## SHARES (\$ IN MILLIONS)



## MEMBERS (IN THOUSANDS)



# Statements of Financial Condition

| ASSETS  | AS OF DECEMBER 31,      |                         |
|---|-------------------------|-------------------------|
|   | 2024                    | 2023                    |
| Cash and cash equivalents:                                  |                         |                         |
| Cash  | \$ 10,733,664           | \$ 10,847,358           |
| Overnight investments                                       | 205,093,799             | 154,108,721             |
| Total cash and cash equivalents                             | 215,827,463             | 164,956,079             |
| Investments:  |                         |                         |
| Available-for-sale  | 132,910,520             | 263,690,845             |
| Held-to-maturity  | 562                     | 907                     |
| Other investments   | 7,512,669               | 7,132,291               |
| Loans held for sale   | 166,250                 | 359,999                 |
| Loans to members, net                                       | 1,925,275,191           | 1,755,685,200           |
| Accrued interest receivable                                 | 7,833,078               | 7,702,368               |
| Property and equipment, net                                 | 25,536,297              | 26,538,012              |
| Operating lease right-to-use asset, net                     | 5,575,218               | 6,152,231               |
| Other assets  | 17,072,214              | 16,606,961              |
| National Credit Union Share Insurance Fund (NCUSIF) deposit | 20,365,101              | 18,333,178              |
| <b>Total assets</b>   | <b>\$ 2,358,074,563</b> | <b>\$ 2,267,158,071</b> |

| LIABILITIES AND MEMBERS' EQUITY              | AS OF DECEMBER 31,      |                         |
|--|-------------------------|-------------------------|
|  | 2024                    | 2023                    |
| <b>LIABILITIES:</b>                          |                         |                         |
| Members' shares and savings accounts         | \$ 2,113,098,909        | \$ 2,029,058,017        |
| Operating lease liabilities                  | 5,795,011               | 6,320,345               |
| Accrued expenses and other liabilities       | 28,208,185              | 49,021,433              |
| Total liabilities                            | 2,147,102,105           | 2,084,399,795           |
| <b>MEMBERS' EQUITY:</b>                      |                         |                         |
| Undivided earnings                           | 211,374,076             | 195,044,625             |
| Accumulated other comprehensive loss         | (401,618)               | (12,286,349)            |
| Total members' equity                        | 210,972,458             | 182,758,276             |
| <b>Total liabilities and members' equity</b> | <b>\$ 2,358,074,563</b> | <b>\$ 2,267,158,071</b> |

## Supervisory Committee Report

Our credit union's Supervisory Committee is responsible for ensuring the effectiveness of internal checks and balances, such as the systems of internal controls, adherence to established policies and procedures, and the overall safety and soundness of our credit union. By the Federal Credit Union Act, the Supervisory Committee is responsible for the annual external audit and the review and verification of member accounts.

The Supervisory Committee ensures the credit union is healthy in all areas for which it has responsibility. An annual audit and all the work associated with it was conducted by our accounting firm, CliftonLarsonAllen LLP.

CliftonLarsonAllen LLP has issued an unmodified opinion on the financial statements, which means the financial statements present fairly, in all material respects, the financial position of the credit union as of December 31, 2024, and the results of its operations and cash flows for the year then ended. The financial report as printed in this annual report is extracted from the audited financial statements.

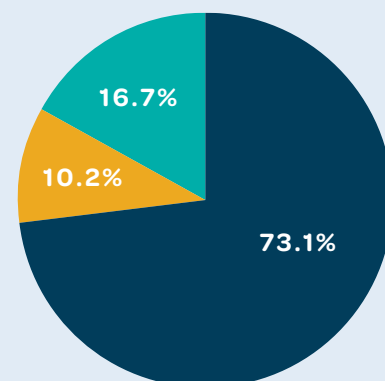
The financial statements in the report reflect the financial condition and the results of operations of the credit union.

Marjorie Warfield  
Chair of the Supervisory Committee

# Statements of Comprehensive Income

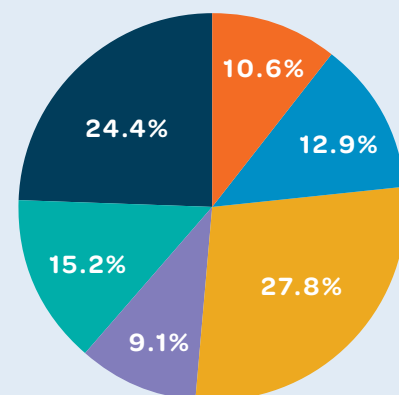
FOR THE YEARS ENDED DECEMBER 31,

| <b>INTEREST INCOME:</b>  | <b>2024</b>          | <b>2023</b>          |
|--|----------------------|----------------------|
| Loans to members   | \$ 112,119,482       | \$ 92,316,950        |
| Investments  | 15,684,039           | 12,399,284           |
| Total interest income  | <u>127,803,521</u>   | <u>104,716,234</u>   |
| <br>   |                      |                      |
| <b>INTEREST EXPENSE:</b>   |                      |                      |
| Dividends on members' shares and savings accounts                | 42,665,916           | 24,236,974           |
| Provision for credit losses                                      | 19,844,285           | 14,382,979           |
| Net interest income after provision for credit losses            | <u>65,293,320</u>    | <u>66,096,281</u>    |
| <br>   |                      |                      |
| <b>NON-INTEREST INCOME:</b>                                      |                      |                      |
| Interchange income   | 11,255,525           | 11,217,724           |
| Fees and charges   | 11,827,619           | 9,946,664            |
| Other non-interest income  | 2,441,500            | 2,904,845            |
| Net gain on sales of loans                                       | 160,268              | 59,254               |
| Total non-interest income  | <u>25,684,912</u>    | <u>24,128,487</u>    |
| <br>   |                      |                      |
| <b>NON-INTEREST EXPENSE:</b>                                     |                      |                      |
| Compensation and benefits:                                       |                      |                      |
| Executive/senior management                                      | 7,602,836            | 9,441,910            |
| Other employees  | 29,828,691           | 31,237,794           |
| Office operating costs   | 10,266,453           | 9,547,734            |
| Professional services  | 9,407,654            | 9,187,960            |
| Loan servicing expenses  | 6,780,164            | 6,269,079            |
| Promotional expenses   | 5,215,974            | 5,006,718            |
| Occupancy expenses   | 3,565,294            | 3,536,499            |
| Other expenses   | 1,981,715            | 1,820,988            |
| Total non-interest expenses                                      | <u>74,648,781</u>    | <u>76,048,682</u>    |
| Net income   | <u>\$ 16,329,451</u> | <u>\$ 14,176,086</u> |
| <br>   |                      |                      |
| <b>OTHER COMPREHENSIVE INCOME:</b>                               |                      |                      |
| Unrealized gains on investments classified as available-for-sale | 5,393,063            | 7,506,931            |
| Defined benefit plan:  |                      |                      |
| Net gain/(loss) in defined benefit obligations                   | 5,909,650            | (1,483,642)          |
| Gain due to curtailment  | 582,018              | -                    |
| Subtotal   | <u>6,491,668</u>     | <u>(1,483,642)</u>   |
| Total other comprehensive income                                 | <u>11,884,731</u>    | <u>6,023,289</u>     |
| Total comprehensive income                                       | <u>\$ 28,214,182</u> | <u>\$ 20,199,375</u> |



## SOURCES OF INCOME

|                         |                      |
|-------------------------|----------------------|
| Interest on loans       | \$ 112,119,482       |
| Interest on investments | 15,684,039           |
| Other                   | 25,684,912           |
| <b>TOTAL</b>            | <b>\$153,488,433</b> |



## DISTRIBUTION OF INCOME

|                             |                      |
|-----------------------------|----------------------|
| Undivided earnings          | \$ 16,329,451        |
| Provision for credit losses | 19,844,285           |
| Dividends                   | 42,665,916           |
| Office and occupancy        | 13,831,747           |
| Other expenses              | 23,385,507           |
| Salaries and benefits       | 37,431,527           |
| <b>TOTAL</b>                | <b>\$153,488,433</b> |

TO RECEIVE A COPY OF THE AUDITED FINANCIAL REPORTS, PLEASE CALL 410-272-4000 AND ASK FOR THE INTERNAL AUDIT DEPARTMENT.

# Strength in Numbers

92.74% overall member satisfaction

based on "satisfied" and "very satisfied" ratings from member surveys

## LEADING WITH FINANCIAL EDUCATION



**5,163**

Adult participants reached through **776** financial education classes



**12,113**

youth participants reached through **429** financial education sessions



**543**

one-on-one financial counseling sessions conducted

## INVESTING IN OUR COMMUNITIES



**270**

community organizations supported



**\$226,716**

donated to nonprofits through APGFCU's Community Involvement Committee



**\$66,000**

in scholarships to **22** graduating high school seniors and adults continuing education

## BUILDING MEMBER WEALTH



**\$29.6 million**

transferred at promotional Visa® balance transfer rates as low as 0% APR



**\$1.5 million**

in mortgage closing cost assistance provided



**1,346**

members below age 18 benefited from APGFCU's youth incentive program, receiving **\$67,300** in account opening bonuses

## ENSURING CONVENIENT ACCESS



**\$121 million**

in internet loan applications processed



**8,027**

branch appointments scheduled online by members



**9,606**

members obtained APGFCU vehicle financing directly at a dealership

# Community Engagement

## APGFCU Youth Baseball Clinic

On Tuesday, June 25, 2024, APGFCU hosted its third Youth Baseball Clinic with the Aberdeen IronBirds. A total of 131 children between the ages of seven and 12 took to the field on a gorgeous summer day. Participants received instruction in pitching, hitting, batting, fielding and throwing from IronBirds players and coaches. Many positive comments were received by parents and participants.



## B'More Healthy Expo

APGFCU was the only credit union represented at the 15th Annual B'More Healthy Expo, held on February 10, 2024. More than 25,000 people attended the event at the Baltimore Convention Center. Members of the business development and financial education teams engaged with hundreds of attendees throughout the day, sharing resources, information about financial wellness and details about membership.



## Harford County Nonprofit Advisory Group's Annual Conference

APGFCU served as the title sponsor and exclusive financial institution sponsor for the Harford County Nonprofit Advisory Group's annual conference, which took place on August 30, 2024, at the Epicenter in Aberdeen. Over 150 attendees from Harford, Cecil and Baltimore counties participated in various workshops where they received valuable resources and guidance for local nonprofits. Sessions included topics such as Nonprofit Finance, Strategic Marketing to Reengage Lapsed Supporters and Unlocking the Power of Service by Engaging Volunteers Across Generations. Funds raised during the event supported the 755 Alliance, Bailey's Heart and Soul and Southern Rotary of Harford County.



## 2024 Cecil County Summer Reading & Children's Book Festival

On June 8, 2024, APGFCU sponsored the "Adventure Begins at Your Library" Summer Reading Kickoff and Children's Book Festival for the Cecil County Public Library. The annual event attracted 1,200 attendees, where children had the opportunity to meet authors and illustrators, select a book of their choice and have it signed to add to their home libraries. Families and friends enjoyed quality time together at the North East Library. Summer reading programs encourage children and their families to set reading goals and continue learning throughout the summer. These programs primarily focus on engaging students in enrichment activities to help prepare them for the next grade level.



Learn more about the organizations we supported in 2024 through donations, sponsorships and volunteer service by scanning this code.







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