



65



**AEROSPACE**  
FEDERAL CREDIT UNION

*Your Trusted Financial Partner*  
*Since 1961*

**2025**  
ANNUAL REPORT

## Message from the Chair



2025 was a very good year for the AFCU and its members. Members received value across the spectrum of services and products offered. This, of course, is the purpose of a credit union: to provide the highest possible value to its members, to you. The AFCU is your Credit Union in the truest sense. Like all credit unions, the AFCU is owned by its members, by you and your fellow members. There are no stockholders or other investors to siphon off earnings of the Credit Union. The board of directors and other volunteers that oversee the Credit Union are also members of the AFCU ensuring the utmost alignment of the organization with your interests. This is what makes a credit union distinct from other financial institutions.

Your board ensures that the Credit Union provides services and products that benefit all our members regardless of their financial situation or stage of life. In 2025, members received top-of-market, competitive rates and grew their savings in our share certificates. This led many members to transfer even more funds into their AFCU accounts. Low minimum balances allowed more members access to our “new money” certificates. Share certificates remained one of our most popular products.

The Credit Union also rewarded members who sought to borrow funds. Increased numbers of members found tremendous value in our home equity line of credit (HELOC) mortgage product. The user-friendly application process and low fees were much appreciated. Not surprisingly, the Credit Union’s Visa Platinum Credit Card remained extremely popular. Many financial institutions have introduced similar products, but the AFCU card with its 5-4-3-2 rewards program remains unbeaten. In addition, the AFCU debit card continued to delight users with chances to win \$500 monthly and a grand prize of \$2,500.

I end with the most important note. The Aerospace Federal Credit Union remains well-capitalized and financially safe. This fact reflects your board’s duty of care in providing you with financial services. A huge thanks goes to my fellow board volunteers for all their dedication and time, and the excellent AFCU management team and staff who provide daily outstanding service to our members.

**David A. Christopher**

## Message from the President



As we enter calendar year 2026, we proudly celebrate 65 years of serving our membership and providing trusted financial services. It has been an incredible journey that began on November 30, 1961, when a small group of Aerospace employees secured a federal charter and formed Aerospace Federal Credit Union (AFCU). Their mission—one that still guides us today—was to provide fellow employees with a safe, trusted place to manage their financial lives.

During my tenure as President/CEO, I have witnessed remarkable growth and transformation. What we once affectionately referred to as a “plain vanilla” credit union, has evolved into a full-service cooperative financial institution offering a comprehensive range of products and services designed to help you achieve financial success. As we look ahead, we remain committed to honoring our rich tradition while delivering innovative solutions in an ever-changing financial landscape. We believe it is essential that you have a trusted partner by your side—one that helps you navigate your financial journey and reach your goals with confidence.

As we move forward in 2026, it is important to remember that at AFCU, you are more than an account number. You are a valued member-owner and part of an extended family committed to your financial well-being. The trusted relationships we have built over the past 65 years truly stand the test of time.

In closing, I am pleased to report that the vision established by that small group in 1961 remains strong and vibrant today. AFCU continues to be dedicated to enhancing the value of membership and strengthening the benefits we provide. Together, we can make 2026 a rewarding year and ensure AFCU remains a lifelong financial partner for generations to come.

**Marvin L. Thomas**

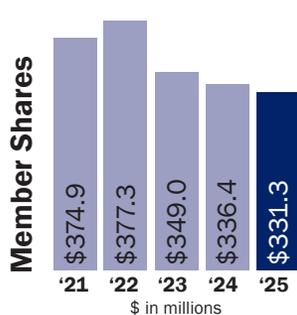
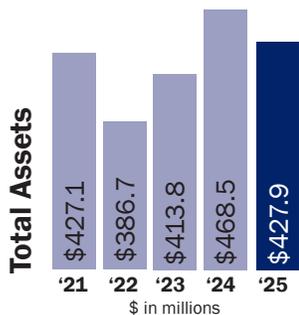
## Summary Statement of Financial Condition

Years ended December 31

ASSETS	2025	2024
Loans to Members	\$162,310,911	\$132,651,873
Less: Allowance for Loan Loss	(200,000)	(130,000)
Cash	1,427,939	3,443,657
Investments	244,475,050	314,632,121
Accrued Interest Receivable	1,519,179	1,492,375
Property and Equipment	2,094,465	2,014,925
NCUSIF Deposit	3,056,409	3,076,717
Other Assets	13,269,798	11,308,156
<b>TOTAL ASSETS</b>	<b>\$427,953,751</b>	<b>\$468,489,824</b>

### LIABILITIES & EQUITY

Accounts Payable/Accrued Liabilities	\$74,108,539	\$120,199,680
Member Shares	331,348,536	336,438,896
Regular Reserve	0	0
Retained Earnings	42,315,742	41,903,550
Unrealized Gain/Loss on Investments	(19,819,066)	(30,052,302)
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>\$427,953,751</b>	<b>\$468,489,824</b>



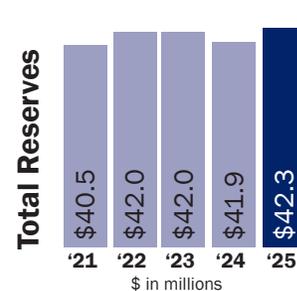
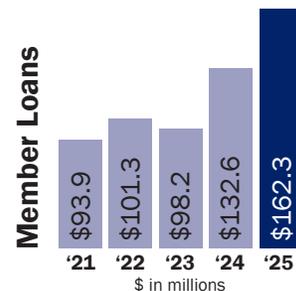
## Summary Statement of Income & Expense

Years ended December 31

INTEREST INCOME	2025	2024
Loans to Members	\$9,005,186	\$4,694,213
Investments	8,847,295	12,778,920
<b>TOTAL INTEREST INCOME</b>	<b>17,852,481</b>	<b>17,473,133</b>
Less: Dividend on Member Shares	6,134,417	5,877,285
<b>NET INTEREST INCOME</b>	<b>11,718,064</b>	<b>11,595,848</b>
Other Operating Income	943,650	1,022,330
<b>TOTAL OPERATING INCOME</b>	<b>\$12,661,714</b>	<b>\$12,618,178</b>

### OPERATING EXPENSE

Salaries & Benefits	\$2,916,100	\$2,879,711
Data Processing	1,001,270	947,700
Communications	185,534	171,004
Auditing Fees	111,573	94,394
Stationery & Supplies	15,956	16,863
Education & Promotion	136,269	142,533
Depreciation & Amortization	209,871	283,852
Share Insurance	0	0
General Expenses	7,632,947	8,205,537
<b>TOTAL OPERATING EXPENSE</b>	<b>\$12,209,520</b>	<b>\$12,741,593</b>
Non-Operating Income/(Loss)	0	0
<b>NET INCOME</b>	<b>\$452,194</b>	<b>(\$123,415)</b>



## Report of the Treasurer



Key elements of your credit union's 2025 financial performance include:

- Total assets were \$427.9 million; down \$40.5 million from the previous year and reflects a decrease of 8.7%.
- Member share deposits at \$331.3 million, were down \$5.1 million, and reflects a decrease of 1.5%.
- Member loans at \$162.3 million, were up \$29.7 million and reflects an increase of 22.4%.
- Investments ended the year at \$244.5 million, down \$70.1 million and reflects a decrease of 22.3%.
- Total revenue for the year was \$18.8 million, up 1.6% from a year ago. Of that amount, \$12.2 million was allocated to operating expenses, and most importantly, \$6.1 million (32.6%) was returned to members in the form of dividend payments and were greater than the prior year by \$257 thousand.
- Capital for the year ended at \$42.3 million and corresponds to a net worth ratio of 9.89%, and in accordance with regulatory standards, represents a regulatory classification of a "well-capitalized" credit union.

We anticipate moderate growth in member share deposits and loan demand, and for a continuation of improved earnings in 2026, with a balance sheet that is well structured to accommodate a wide range of interest rates.

**James W. Ford**

Federally insured by NCUA

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## Report of the Supervisory Committee



In compliance with the Federal Credit Union Act, the Supervisory Committee retained RSM US, LLP, a CPA firm, to conduct internal audits of many of the operational areas in the Credit Union with a focus on regulatory compliance and risk management. Richards and Associates, a CPA firm, was retained to conduct an independent opinion audit of the Aerospace Federal Credit Union's financial statements and business practices. Both CPA firms reported and discussed their results with the Supervisory Committee and Senior Management. I am pleased to report there were no significant areas of concern with respect to the operational practices and performance of the Credit Union. Additionally, they found the Credit Union's financial statements conform to generally accepted accounting principles of the United States of America and are available for review at the credit union.

**Anthony T. Stier**

## 2025 Officials

### Board of Directors

David A. Christopher | *Chair*

Christopher P. Woods | *Vice Chair*

James W. Ford | *Treasurer*

Tammy L. Choy | *Secretary*

Lauren P. Kim

Charlotte M. Lazar-Morrison

Kien T. Le

Steven M. Leontis

Mary H. Moy

### Supervisory Committee

Anthony T. Stier | *Chair*

Ivo Georgiev

Lauren P. Kim

Terence S. Yeoh

### Board Member Emeritus

Joe M. Straus

### Advisory Committee

Jeanna N. Harkenrider

### Recording Secretary

Gail J. LaCroix

### Senior Management

Marvin L. Thomas | *President/CEO*

Gregory S. Moran | *VP, IT*

Jeri L. Smith | *VP, Member Service*

Lani L. Young | *Finance Director*

Ian B. Freshman | *Marketing Manager*

Cynthia R. Chafe | *Compliance Officer*