VALLEY STRONG CREDIT UNION

2024 ANNUAL REPORT

Federally Insured by NCUA | Equal Opportunity Lender

VALLEY STRONG CREDIT UNION

BOARD OF DIRECTORS

Dr. S. William Bruce, Chairperson
Dr. Bryon Schaefer, First Vice Chairperson
Ms. Valencia Jones, Second Vice Chairperson
Ms. Marilyn Jones, Secretary
Dr. Dennis Scott, Treasurer
Mr. Joseph Drew, Director
Ms. Joanne Mills, Director
Mr. Mike Kileen, Director
Mr. Carl B.A. Lange, III, Director
Mr. Mark Moreno, Director
Dr. Larry Reider, Director

SUPERVISORY COMMITTEE

Mr. Troy Fringer, Chairperson
Mr. Ramon Hendrix, Member
Ms. Tenielle Tensley, Member

MANAGEMENT

Nick Ambrosini - President / Chief Executive Officer
Steve Matejka - EVP / Chief Operations Officer
Deanna Blaise - SVP / Chief Business Officer
Erin Estelle - SVP / Chief Marketing Officer
Myrto Koimtzoglou - SVP / Chief Compliance Officer
Mark Manns - SVP / Chief Human Resources Officer
Lindsay Reyes - SVP / Chief Financial Officer
Nilendu Saha - SVP / Chief Technology Officer
Chuck Smith - SVP / Chief Lending Officer
Lindsey Strange - SVP / Chief Retail Officer
Teri Nicholson - Chief of Staff

A Message From The Board of Directors



Dr. Bill Bruce
Chairperson,
Board of Directors

As we look back on 2024, I am excited to share the incredible progress we've made together as a community. Valley Strong has seen great growth and success this past year, and we are thrilled with the achievements we've accomplished.

Here are some key areas of success:

- Through our many meaningful partnerships, we contributed over 10,000 volunteer hours and donated more than $2 million towards our communities.
- We have driven economic growth through our partnerships, fostering opportunities and supporting local businesses across the Central Valley.
- Valley Strong was awarded the Best Financial Institution for the 30th year in a row, along with many other awards throughout the Central Valley.
- We expanded our financial literacy programs, reaching more community members and providing essential financial education.

We have seen much growth and success in 2024, and we remain dedicated to serving our Members and communities with a suite of products and services they have come to expect and rely on, ensuring we meet their evolving needs with excellence and care.

I am grateful for your continued trust and support. Together, we have built a strong foundation that will enable us to achieve even greater success in the years to come. We are here to stay, grow together, and discover the best financial possibilities for the best possible outcomes.

Here's to a promising future, as we continue to grow, adapt, and thrive in service to you.

A Message From The
President / CEO and Supervisory Committee's Report



Nick Ambrosini
President / CEO

As we begin our journey into 2025, I want to extend my gratitude for the steadfast support and loyalty of our Team Members, Board Members, and partnering organizations. Reflecting on the remarkable achievements of last year, it's clear that our collective efforts have paved the way for continued success and growth. Our journey has been marked by resilience, innovation, and a steadfast commitment to our community.

2024 was a year of notable accomplishments for Valley Strong. We celebrated numerous accolades, including being named to Forbes' Best-In-State Credit Unions and recognized as the Best Financial Institution in Kern County for an incredible 30th year in a row. Our dedication to community engagement and financial literacy has not only earned us prestigious honors but has also strengthened the bond we share with our Members.

This year, we will build on our achievements, providing financial education to our communities, offering products and services that meet our Members' needs, and invest in community programs. Our focus remains on enhancing peoples' financial well-being with personalized solutions and expert guidance. This includes our enhanced youth and family products to encourage early financial habits. We will also see continued growth in our northern markets with the opening of our Administrative Building in Fairfield.

As we launch into the new year, we do so with a balanced sense of confidence, acknowledging the progress we've made while staying mindful of the challenges and opportunities ahead. With a thoughtful and determined approach, we will continue to grow, innovate, and make a positive impact on the lives of our Members and the community we serve. Thank you for being a part of our journey. Here's to a successful and prosperous 2025!



Troy Fringer
Chairperson
Supervisory Committee

The Supervisory Committee is comprised of three volunteers from the Membership of Valley Strong Credit Union. To remain proficient in Credit Union developments, all Supervisory Committee members attend monthly Board of Directors meetings, semi-annual strategic planning sessions, and various industry specific educational seminars and conferences. The Supervisory Committee has two primary responsibilities. First, to ensure Management's financial reporting is consistent with Generally Accepted Accounting Principles (GAAP). Second, to ensure Management's policies and procedures safeguard Members' assets.

To accomplish these responsibilities, the Supervisory Committee engaged the services of Nearman, Maynard, and Vallez to perform the required financial statement audit and verification of Members accounts for the year ending December 31, 2024. The 2024 annual financial statement audit is not finalized; therefore the financial statements presented in this Annual Report are not audited. The audited financial report will be completed during the second quarter of 2025. As of this time, based on the financial statement, internal audits, and regulatory examinations, the Supervisory Committee believes the Credit Union's financial condition and its internal controls are sound.

2024 | ANNUAL REPORT

Statements

STATEMENT OF INCOME

FOR THE YEAR ENDED DECEMBER 31 (NOT AUDITED)

(000's Omitted)

INCOME	2023	2024
Interest on Members' Loans	$ 183,903	$ 174,007
Investment Income	16,080	21,516
Other Income	50,210	55,803
GROSS INCOME	**$ 250,194**	**$ 251,327**
EXPENSES		
Loan Loss Reserves	42,170	30,371
Other Operating Expenses	162,808	143,556
OPERATING EXPENSES	204,978	173,927
Income from Operations	$ 45,216	$ 77,400
Non-Operating Gains (Losses)	6,368	11,953
NCUSIF Recapitalization Expenses, Net	–	–
Income Before Dividends	38,848	65,446
Dividends & Interest Paid to Members	33,506	59,042
NET INCOME	**$ 18,078**	**$ 30,311**

STATEMENT OF FINANCIAL CONDITION

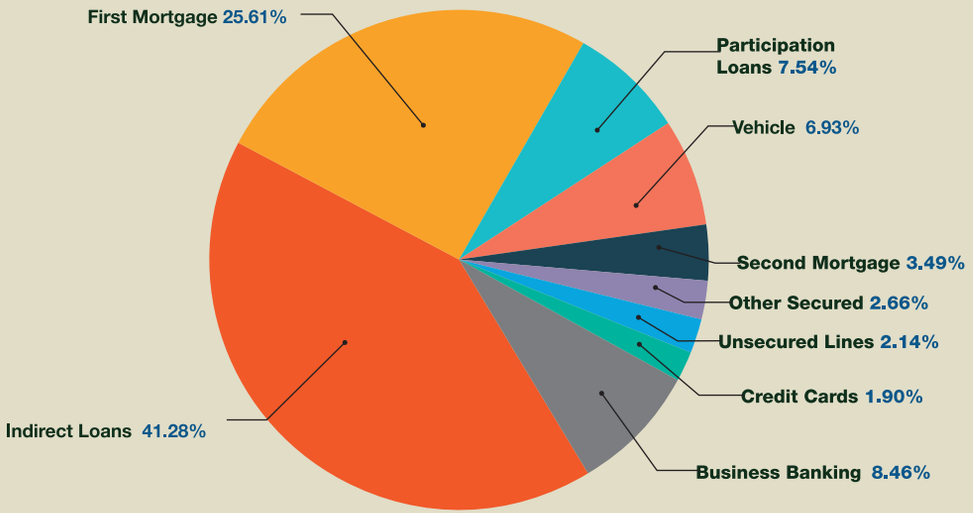
AS OF DECEMBER 31 (NOT AUDITED)

(000's Omitted)

ASSETS	2023	2024
Loans to Members, Net of Loss Reserves	$ 3,072,605	$ 2,839,494
Cash on Hand	119,353	118,111
Investments & Interest-Bearing Deposits	544,523	585,578
Interest Receivable	13,914	12,724
Premises & Equipment, Net of Depreciation	87,729	93,724
Other Assets	189,972	266,932
TOTAL ASSETS	**$ 4,028,097**	**$ 3,916,564**
LIABILITIES / SHARES / EQUITY		
Dividends Payable	$ 380	$ 345
Other Liabilities	299,055	104,008
Members' Shares	3,367,776	3,450,926
Restricted Earnings Reserve	49,836	49,836
Minority Interests in Consideration	-	-
Undivided Earnings & Unrealized Losses	311,050	311,449
TOTAL LIABILITIES & EQUITY	**$ 4,028,097**	**$ 3,916,564**

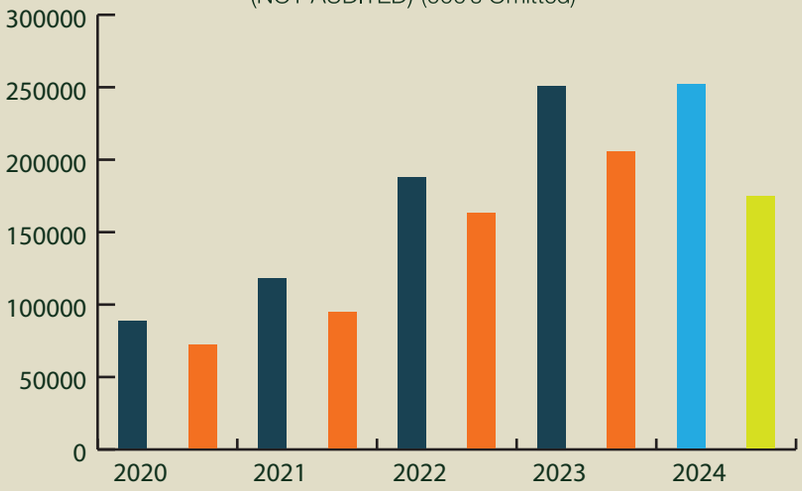
MEMBER LOANS

(Percentage of Total Loans)



GROSS INCOME AND OPERATING EXPENSES

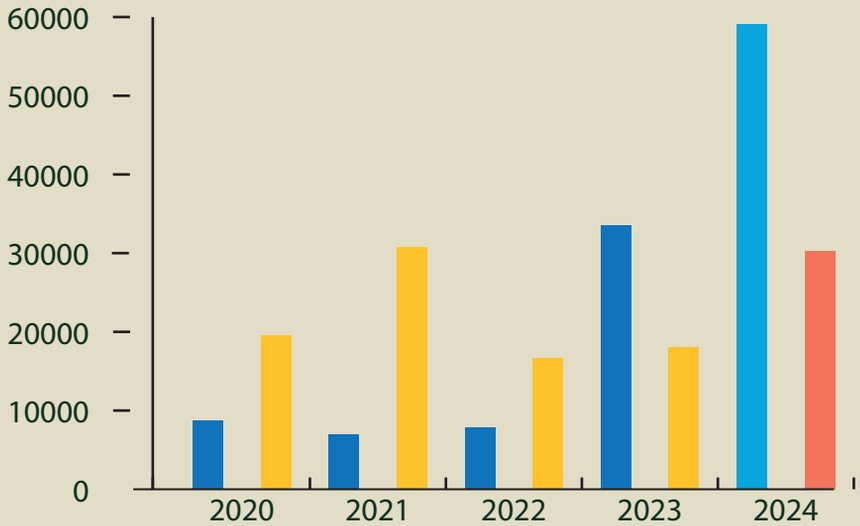
(NOT AUDITED) (000's Omitted)



Gross Income	87,655	117,179	187,305	250,194	**251,327**
Operating Expenses	71,432	94,041	16,672	204,978	**173,927**

MEMBER DIVIDENDS (Interest) AND NET INCOME

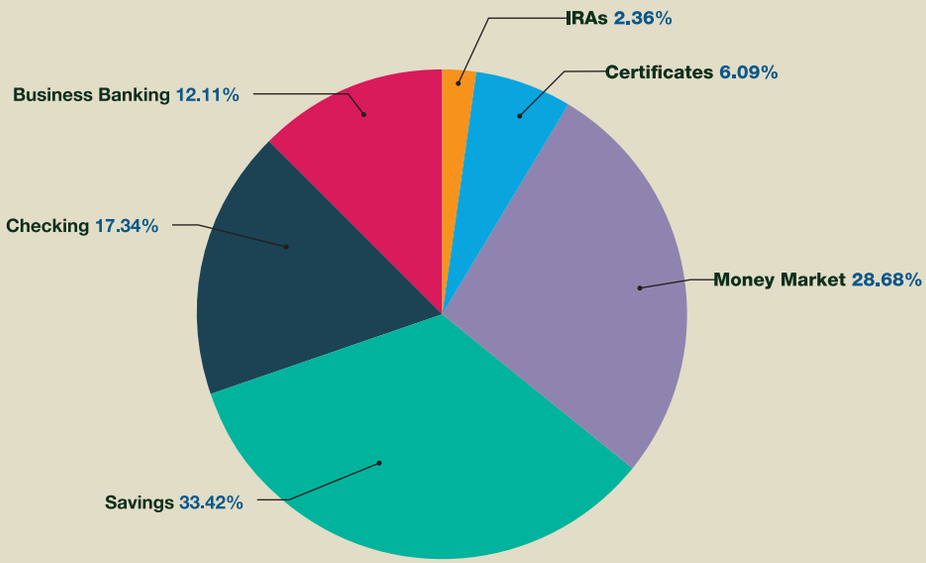
(NOT AUDITED)



Dividends	8,779	6,933	7,815	33,506	**59,042**
Net	19,549	30,796	16,653	18,078	**30,311**

MEMBER SHARES

(Percentage of Total Shares)



EIGHTY-FOURTH
Annual Meeting Minutes | Valley Strong Credit Union · March 21, 2024

The Eighty-Fourth Annual Meeting of Valley Strong Credit Union was held in Bakersfield, California, on the evening of March 21, 2024. Mr. Joseph Drew, Chairperson of the Valley Strong Credit Union Board of Directors extended a very cordial welcome to all Members and guests as well as his sincere appreciation for their attendance.

Chairperson Drew informed attendees that at each chair placement there were copies of the 2023 Annual Report which contains the financial statement and Supervisory Committee Report, and the minutes of the 2023 Annual Meeting. A motion to accept these items will be required during the Business Meeting. Please take a moment to review the report.

Chairperson Drew introduced Ms. Marilyn Jones, Board Member, who led the flag salute followed by the invocation.

Chairperson Drew recognized the Board of Directors; Dr. Bryon Schaefer, First Vice Chairperson, Dr. Dennis Scott, Second Vice Chairperson, Ms. Valencia Jones, Secretary, Ms. Joanne Mills, Treasurer, Dr. S. William Bruce, Director, Ms. Marilyn Jones, Director, Mr. Mike Kileen, Director, Mr. Carl B.A. Lang, III, Director, Mr. Mark Moreno, Director, Dr. Larry Reider, Director, and The Supervisory Committee; Mr. Troy Fringer, Chairperson, Mr. Ramon Hendrix, Member, Ms.Teniellе Tensley, Member: Senior Management; Mr. Nick Ambrosini, CEO/President, Mr. Steve Matejka, EVP, Chief Operations Officer Ms. Mirella Reznic, EVP, Chief Strategy Officer, Ms. Deanna Blaise, SVP, Member, Business Services, Ms. Erin Estelle, SVP, Chief Marketing Officer, Ms. Myrto Koimtzoglou SVP, Chief Compliance Officer, Mr. Kevin Landel, SVP, Chief Technology Officer, Mr. Mark Manns, SVP, Chief Human Resources Officer, Ms. Lindsay Reyes SVP, Chief Financial Officer, Mr. Chuck Smith, SVP, Chief Lending Officer, Ms. Lindsey Strange, SVP, Chief Retail Officer, and Ms. Teri Nicholson Assistant to the President/CEO.

Chairperson Drew Called Meeting to Order at 5:08 PM. Chairman Drew Introduced Mr. Troy Fringer, Chairman of the Supervisory Committee, to present the Supervisory Committee Report. Mr. Troy Fringer stated that the financial statement of the credit union had been reviewed with our outside auditors and has prepared the Supervisory Committee report as contained in the 2023 Annual Report.
Chairperson Fringer indicated that the 2023 annual financial statement audit has been completed and the financial statements presented herein are audited. As a result of the financial statement audit, internal audits, and regulatory examinations, the Supervisory Committee believes the credit union's financial condition and its internal controls are sound. He then turned the meeting back over to Chairperson Drew.

Chairperson Drew pointed out what continues to set Valley Strong Credit Union apart from others is the continued Teamwork, Commitment and Effort each person delivers daily. He reflected on the past year and the strides made within the community. He noted despite the economic challenges and uncertain times, Valley Strong has not only weathered the storm but has also achieved significant milestones. Chairperson Drew cited a few areas of success:

- Meaningful partnerships, resulting in over 6,000 volunteer hours and donations of more than $2 Million towards our communities.
- We launched our Community Development Financial Institution (CDFI) program, which further proves we are dedicated to fostering economic opportunity for small businesses across the Central Valley.
- Valley Strong was awarded the 2023 Social Impact award from California and Nevada Credit Union Leagues, and many more awards throughout the Central Valley.
- And finally, we successfully taught financial literacy to more than 5,800 students, equipping the next generation with essential skills for a brighter financial future.

Chairperson Drew noted that although the economic landscape of 2023 presented numerous challenges, from fluctuating interest rates to heightened market volatilities. Yet, through resilience and strategic foresight, Valley Strong Credit Union navigated these uncertainties, ensuring that Valley Strong remains strong, stable, and secure. Our commitment to prudent financial management and operational excellence has been key in this endeavor.

Lastly, Chairperson Drew commented on Valley Strong's continued focus on fundamentals, and our dedication to serving our Members and communities with a suite of products and services they have come to expect and rely on, ensuring we meet their evolving needs with excellence and care.

Chairperson Drew expressed his gratitude for everyone's continued trust and support. He stated "Together, we have built a solid foundation that will enable us to achieve even greater success in the years to come. We are here to stay, grow

EIGHTY-FOURTH
Annual Meeting Minutes

together and discover the best financial possibilities for the best possible outcomes."

In Closing, Chairperson Drew acknowledged Dr. James "Jim" Fillbrandt who passed away earlier this year. Dr. Fillbrandt joined Valley Strong's Board of Directors in 1972 and served on the Board of Directors until is passing. Chairperson Drew paid tribute to Dr. Fillbrandt's unyielding support for greater innovation and our organization's growth.

He felt it was only fitting that we dedicated our training facilities to honor his contributions and memory. He will always remain in our hearts and be a reminder of the goodness he embodied.

With that said, Chairman Drew introduced Nick Ambrosini to present the President's message.

President/CEO, Nick Ambrosini welcomed members to the Annual Meeting.

Mr. Ambrosini called out the first quarter of last year being one of the most turbulent times in years. But despite the challenge Valley Strong ended the year financially strong. Now with 2023 in the rear-view mirror, he is filled with optimism for the year ahead. He stated that the theme which resonates deeply as we navigate forward is resilience. This not only reflects on our journey so far but also guides our path ahead.

He stated in the year ahead, our commitment to bringing the best for our Members remains our top priority. He further expressed that empowerment through financial literacy is crucial and will continue to be a focus. Therefore, we are dedicated to providing educational resources and support to help our Members make informed financial decisions, enhancing their economic well-being.

He further explained that Valley Strong will continue to expand our services, we are excited to grow our business banking and retail offerings. 2024 will see our first branch open in Kings County in the City of Hanford to support this goal. Strengthening our role as a Community Development Financial Institution (CDFI) is another cornerstone of our strategy. By intensifying our efforts in this area, we aim to provide even more support to underserved communities, ensuring that economic growth and opportunity are accessible to all.

We are ready to embrace new opportunities, tackle challenges as they arise, and most importantly, make a significant impact on the lives of our Members and communities.

Finally, Mr. Ambrosini stated with a foundation built on adaptability, unity, and unwavering commitment to our Members and community, there is no obstacle we cannot overcome together.

Thank you for your ongoing support and for being an integral part of the Valley Strong family. Here is to a year of growth, success, and resilience. Thank you.

Chairman's Report:
Business Meeting:
Chairman Joseph Drew has verified by the attendance of 36 Members quorum is present. The Chairman asked if there were any corrections to either the minutes or the Treasurers' Report contained in the 2023 Annual Report. Hearing none, the Chairman asked for a motion to accept the Minutes of the 83rd Annual Meeting, the Financial Statement and the Supervisory Committee Report contained therein. It was moved by Dr. S William Bruce and seconded by Ms. Joanne Mills to approve the minutes and reports as indicated above. Motion carried.

This year we did not have an election and the ballot was composed of five incumbents rerunning. On the Board: Dr. Dennis Scott, Mr. Mike Kileen, Mr. Carl B.A. Lange III, and Dr. Larry Reider; On the Supervisory Committee: Mr. Ramon Hendricks.

It was moved b Mr. Carl B.A. Lange, III and seconded by Ms. Valencia Jones to elect the five incumbents by acclamation. Motion carried.

There being no further business to be discussed a motion to adjourn the business portion of the meeting was taken. It was moved by Ms. Joanne Mills and seconded by Mr. Nick Ambrosini to adjourn the meeting at 5:28 pm. Motion Carries. Thank you for coming tonight, we appreciate your Membership!

On behalf of The Board of Directors, it has been our privilege to host tonight's Annual Meeting. Have a Good Evening and Thank You!

VALLEY STRONG CREDIT UNION

KERN COUNTY BRANCH LOCATIONS

ARTISAN SQUARE
1341 Allen Rd.
Bakersfield, CA 93314

BUENA VISTA
3300 Buena Vista Rd., Ste. J
Bakersfield, CA 93311

CAREER TECHNICAL EDUCATION CENTER
7301 Old River Rd.
Bakersfield, CA 93311

DELANO
1828 Cecil Ave., Ste. A and B
Delano, CA 93561

DOWNTOWN
2424 Chester Ave.
Bakersfield, CA 93301

MING
4530 Ming Ave.
Bakersfield, CA 93309

MT. VERNON
3901 Mt. Vernon Ave.
Bakersfield, CA 93306

PANAMA
5001 Panama Ln.
Bakersfield, CA 93313

RIVER RUN
6101 Coffee Rd.
Bakersfield, CA 93308

STOCKDALE RANCH
16227 Stockdale Hwy
Bakersfield, CA 93314

TEHACHAPI
821 Tucker Rd., Ste. A and B
Tehachapi, CA 93215

KINGS COUNTY BRANCH LOCATIONS

HANFORD
216 W. 8th St.
Hanford, CA 93230

TULARE COUNTY BRANCH LOCATIONS

CENTRAL VISALIA
1501 S. Mooney Blvd.
Visalia, CA 93277

DINUBA
1245 W. El Monte Way
Dinuba, CA 93618

PORTERVILLE
745 N Newcomb St.
Porterville, CA 93257

TULARE
1989 E. Prosperity Ave.
Tulare, CA 93274

SOLANO COUNTY BRANCH LOCATIONS

FAIRFIELD MAIN
3660 Nelson Rd.
Fairfield, CA 94533

OLIVER ROAD
1499 Oliver Rd.
Fairfield, CA 94534

VACAVILLE
151 Elmira Rd.
Vacaville, CA 95687

SAN JOAQUIN COUNTY BRANCH LOCATIONS

AIRPORT WAY
2405 S. Airport Way
Stockton, CA 95206

LODI
200 S. School St.
Lodi, CA 95240

MANTECA
206 E. Yosemite Ave.
Manteca, CA 95336

PERSHING AVENUE
4603 N. Pershing Ave.
Stockton, CA 95207

STOCKTON MAIN
18 S. Center St.
Stockton, CA 95202

HIGH SCHOOL BRANCH LOCATIONS

Frontier High School | Regional Occupational Center | Ridgeview High School | Sierra Pacific High School | Stockdale High School | West High School

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ADMINISTRATIVE OFFICES
11500 Bolthouse Drive • Bakersfield, CA 93311
P.O. Box 9506 • Bakersfield, CA 93389

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BUSINESS BANKING
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RETIREMENT & WEALTH MANAGEMENT GROUP
(661) 833-7730

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