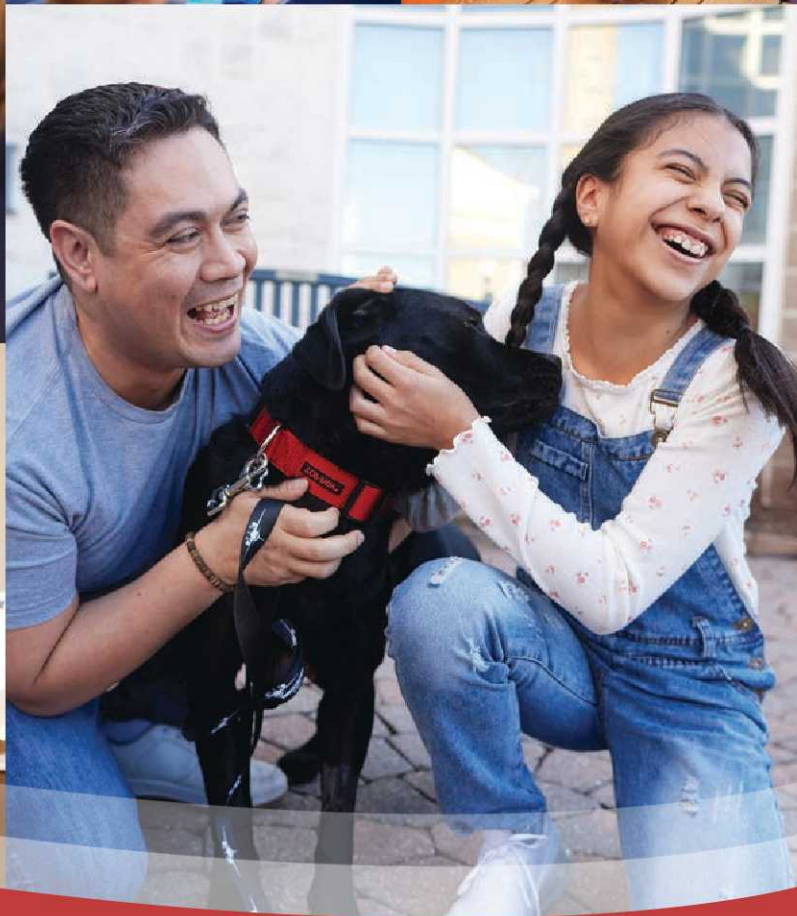


2024 ANNUAL REPORT

Freedom to Soar




American Eagle
Financial Credit Union



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REPORT TO OUR MEMBERSHIP

2024 was an exciting year of continued transformation, expansion of our field of membership, and stability in the Credit Union's financial performance. Last year, we consistently answered the call to effectively meet the financial needs of our membership, enrich the communities we serve, and advance our ability to deliver on our mission to create Financial Freedom for the membership and market.

One of our significant achievements was the recent merger with Wellness Federal Credit Union (WFCU), finalized by the successful data conversion last November. We are currently Connecticut's largest community-focused credit union with \$2.55 billion in total assets and our membership includes 187,792 members. In addition to serving people who live, work, worship, or volunteer in Hartford, Middlesex, Tolland, and New Haven counties in Connecticut and Hampden County in Massachusetts, our merger with WFCU has enabled the ability to serve anyone employed in the healthcare industry throughout the state of Connecticut. This merger was important for several reasons; we added over \$30 million in total assets to our balance sheet, onboarded several new team members to our talented team, and we can provide financial wellness solutions for healthcare workers who give selflessly in caring for others. It is important to us to take care of the people who are caring for our membership and larger community.

We are pleased to report that your Credit Union is safe and sound, with solid financial results in 2024. Most importantly, by meeting the needs of our membership, we generated \$10.6 million in net income with a corresponding return on assets of .40%. Simply stated, all of our profitability is owned by our members and that difference is the cornerstone of a not-for-profit financial cooperative. At year-end, capital totaled \$250.8 million, providing ample net worth and the ability to make future investments to maintain relevance, increase the member value proposition, and deliver on our mission. Notably, our deposit pricing strategy enabled us to enrich our members with \$40 million in interest income last year. Moreover, American Eagle continues to outperform competitive benchmarks and garner positive feedback from the membership in quarterly service and satisfaction surveys; a positive indicator of advocacy for American Eagle in the marketplace.

Our talented team shows up to serve you each day, identify your needs, and provide solutions.

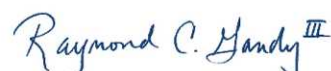
We continue challenging the status quo and remain dedicated to enhancing technology to strengthen safety and security while providing members with even more services and easily accessible tools. Specifically, we recently made strategic investments in our digital and payment capabilities, Video Teller Machine network, and loan origination technology. The aforementioned investments, combined with our aptitude in leadership and culture, create a powerful combination that drives impact and value for all of our stakeholders, members, community, team members, and Credit Union.

As a leader committed to giving our time and treasure to the communities where we live and work, American Eagle was recognized in several meaningful ways in 2024. We received 1st place for the Best Credit Union awarded by the Hartford Courant for the 9th consecutive year! In addition, the Credit Union received the Community Impact Award from FOX 61 and the United Way, acknowledging our commitment to giving back to the community while instilling a culture of volunteerism and philanthropy among our team members. Impressively, our team donated 2,541 volunteer hours to various organizations in our local footprint.

Throughout the year, American Eagle has also awarded over \$237,000 through the Cash Back to the Community program, corporate sponsorships, donations, and grants through our Donor-Advised Fund at the Hartford Foundation for Public Giving. These efforts emphasize our focus on supporting education, basic human needs, and community development initiatives. Moreover, we also provided in-kind donations to supply food and technology to local partners in the community. Last but certainly not least, we held a variety of events in the local community, including free financial education seminars that covered first-time homebuying, understanding and building credit, Social Security benefits, and elder fraud.

Looking ahead, American Eagle is celebrating its 90th year in 2025! We remain steadfast in our passion for the mission and are excited to leverage the momentum created in our work to give back and uplift even more of our community in 2025. Our talented team shows up to serve you each day, identify your needs, and provide solutions. We are committed to our members and promise to consistently strive for excellence and maintain our focus on creating a world where Financial Freedom is a reality. You can count on us to illustrate our values in our work: to lead with heart and to be authentic while seeking to uplift others. And always remember, you are an owner of the Credit Union, and everything we do is designed to drive impact and raise up our membership and community. Thank you for another fantastic year, and we look forward to seeing you in the community!

Warm regards,



Raymond C. Gandy III
Chairman, Board
of Directors



Howard Brady
President & Chief
Executive Officer

COMMUNITY OUTREACH

Throughout 2024, American Eagle Financial Credit Union—and its dedicated members and employees—supported many organizations, initiatives, and causes throughout the communities served in Hartford, Middlesex, New Haven, and Tolland counties in Connecticut along with Hampden County in Massachusetts. More than \$237,000 in sponsorships and donations was contributed to nearly 120 organizations across our communities. The primary focus of the Credit Union’s philanthropy is to support financial literacy and human needs. More than \$90,000 was given to organizations that provide for basic human needs (food, shelter, clothing). As always, we are grateful to our members for entrusting us with their financial well-being, which allows us to give back to our communities.

Cash Back to the Community

For the past five years, the Credit Union’s signature giving program, “Cash Back to the Community,” has contributed more than \$520,000 to nonprofit organizations in the communities we serve. Funds accrue from a percentage of each transaction fee whenever AEFCU Debit and Credit cards are used. Our members and the public vote each quarter to select the top three charitable organizations or favorite nonprofits to receive one-third of the quarter’s accumulated fees. During 2024, a total of \$111,553 was accrued in the program and divided evenly each quarter to the following organizations: A Place Called Hope, Boy Scouts of America Connecticut Rivers Council, Enfield Food Shelf, Friends of Camp Neipsic, Gentle Love Connections, Luke Roux Foundation, North Haven Historical Society, Playhouse Theatre Group, Save All Dogs, Theta Alpha Sigma Greater Legacy Foundation, Windsor Education Foundation, and Windsor Food and Fuel.

Grants

The Credit Union makes contributions each year to our Donor-Advised Fund at the Hartford Foundation for Public Giving (HFPG). From those funds, \$7,000 was awarded to the following organizations in 2024: AEFCU provided a \$2,500 grant to the HFPG’s Black Giving Circle Fund to support the mental health needs of Black boys and men in the Greater Hartford area. The Credit Union presented a \$1,000 grant to the East Hartford Hunger Action Team for assistance with the annual school backpack program. The Action Team comprises organizations, businesses, and community members working toward food security. The Got Lunch Newington program received a \$1,500 award for its ten-week summer lunch program; more than 135 Newington children were the recipients of lunch from this program that assisted families struggling with food insecurity during the summer. A grant of \$1,000 was provided to Masters Manna, an organization serving homeless, near homeless, and low- to moderate-income families and residents facing food insecurity in the Greater Wallingford/Meriden area. Midwest Food Bank New England was also awarded a \$1,000 grant to help with food needs during the summer. The organization rescues and distributes millions of pounds of food to 155 agencies across Connecticut and beyond.

Employee Volunteerism

American Eagle Financial Credit Union is proud of its generous employees who donated their time to support nonprofit organizations throughout our field of membership. In 2024, our employees gave 2,541 hours of service to 103 organizations. Recipients included Blue Hills Fire Department, Boxes to Boots, Connecticut Foodshare, East Hartford Public Schools, Every Bunny Counts Rabbit Rescue, Gifts of Love, Hands On Hartford, Hartford Latino Fest, Rebuilding Together Manchester, Riverfront Recapture, Ronald McDonald House, The Salvation Army, and United Way of Central & Northeastern Connecticut, to name a few.

Corporate Donations

Each year, the Credit Union provides support throughout all of the counties we serve. In 2024, this totaled \$45,907. Among the recipients were such organizations as Adelbrook, Girls Inc. of the Valley, Diaper Bank of Connecticut, Literacy Volunteers (Central Connecticut and Greater Hartford chapters), Hartford Interval House, Connecticut Foodshare, Hands on Hartford, and The Food Bank of Western Massachusetts.

Corporate Sponsorships

In 2024, American Eagle contributed \$72,721 to more than 75 nonprofit, community, and business organizations throughout its field of membership. Of key focus was the Credit Union’s emphasis on initiatives in the areas of supporting basic human needs of families, children, and youth; education; and community development. Other causes included support for veteran services; physical and mental health services; housing; diversity, belonging, and inclusion; and environmental, animal welfare, and arts along with sports and entertainment events. Recipients included such organizations as City of New Haven Youth & Recreation Department, Middletown Pride Festival, Girls Inc. of Meriden, Northern Connecticut Black Nurses Association, Goodwin University Foundation, Hartford Gay & Lesbian Health Collective, and several United Way chapters. American Eagle also provided sponsorships to many civic organizations, including business memberships and nine Chambers of Commerce; school organizations and events; and little leagues and numerous community golf tournaments.



In-kind Donations

Providing in-kind donations has been a hallmark of the Credit Union's support each year. This includes such items as computers, iPads, cell phones, tickets, and food pantry contributions to such organizations as Hartford Public Library, Connecticut Coalition Against Domestic Violence, Literacy Volunteers (Central Connecticut and Greater Hartford), Ronald McDonald House, and Connecticut River Valley Chamber of Commerce.

Community Events & Financial Education

Over the course of the recent year, the Credit Union facilitated more than 40 community events focused on delivering many financial education programs to students, prospective homeowners, and seniors, including the popular Financial Reality Fair for nearly 500 high school students. This event was produced in partnership with the Credit Union League of Connecticut at Rentschler Field in East Hartford. Other events included support for our active-duty military through Boxes to Boots and two Shred and Electronics Recycling Days that attracted more than 1,000 vehicles dropping off unwanted electronics and millions of paper items. American Eagle team members attended a number of Pride events around the region as well as such community programs as Hartford Latino Fest, the Salvation Army's Holiday Store, and Rebuilding Together Manchester, educating people about the credit union difference.

Awards & Recognition

American Eagle Financial Credit Union was honored to receive the FOX 61 and United Way Impact Award in 2024—as a "Company Making an ImpaCT." Notably, the Credit Union's commitment to the region in multiple ways through philanthropic efforts, employee volunteerism, community service, and activities representing ways of giving back were singled out for recognition. American Eagle also received the Company Partner of the Year Award from Easterseals Capital Region & Eastern Connecticut for our support of their fundraising events and their veteran caregiver retreats at Easterseals Veterans Rally Point.



“The Committee, together with AEFCU’s internal audit staff and external auditors, performed a variety of audits to ensure that effective controls are in place to protect your assets.”

REPORT OF THE SUPERVISORY COMMITTEE

The Supervisory Committee, appointed by the Board of Directors, oversees the Credit Union's Internal Audit team and is dedicated to providing an independent appraisal of the safety and soundness of American Eagle Financial Credit Union's (AEFCU) operations and activities. All reviews and audits are conducted in compliance with the NCUA Regulations, State of Connecticut Department of Banking General Statutes, and AEFCU bylaws.

The Supervisory Committee is pleased to present this report certifying the financial statements, the thoroughness of our internal and external audits, and the financial strength of AEFCU.

For the fiscal year ended December 31, 2024, we engaged the services of Doeren Mayhew CPAs and Advisors to conduct an independent, comprehensive annual audit of our financial statements. Based on the most recent results of the Annual Report of Independent Auditors and the Examination Report of the Connecticut Department of Banking Commission and the National Credit Union Administration (NCUA), it is the opinion of your Supervisory Committee that AEFCU continues to be financially strong and well-managed, with sound policies and programs.

Throughout the year, the Committee, together with AEFCU's internal audit staff and external auditors, performed a variety of audits to ensure that effective controls are in place to protect your assets. Additionally, the State of Connecticut Department of Banking Commission and the NCUA perform periodic examinations to further ensure the robustness of our financial controls.

The Committee also reviews and works with management to respond to letters and emails received from the membership. This open communication ensures that your individual concerns are addressed on a personal basis and helps maintain the highest level of service to our members. We encourage you to continue sharing your feedback and concerns with us.

The membership can be confident that the Board of Directors, Supervisory Committee, and Management Team are fulfilling their fiduciary responsibilities for sound fiscal stewardship of AEFCU. Our mission is to serve you, our members, by improving your financial acumen and stability. We remain committed to maintaining the highest standards of financial integrity and service excellence.

Respectfully submitted,



Michael Rogers
Chairman, Supervisory Committee



Board Officers



Raymond C. Gandy III
Chairman of the Board
Volunteer since 1997



Michael W. Hawman
First Vice Chairman
Volunteer since 1998



Allison W. Burch
Second Vice Chair
Volunteer since 2009



Joseph Ploszay
Secretary
Volunteer since 2010

Directors



Mark P. Allen
Director
Volunteer since 1998



Angela F. Bull
Director
Volunteer since 1998



A. Lisa Burgarella
Director
Volunteer since 1992



Joseph R. Camposeo
Director
Volunteer since 1977



Michael P. DePasquale
Director
Volunteer since 2002



Michael Rogers
Director
Volunteer since 2010



Kenneth D. Stevenson, Jr.
Director
Volunteer since 1992

Volunteers

Mohammed Islam
Supervisory Committee
Volunteer since 2016

Hicham Elarabi
Supervisory Committee
Volunteer since 2022

Dedication & Leadership - Honoring Those Who Have Served.



Catherine Banbury
Senior Associate Director
1983-2024



Teresa E. Knox
*Executive Vice President,
Chief Operations &
Experience Officer*
2003-2024

Channasandra Nagaraj
*Supervisory & Cybersecurity
Committees*
2010-2024

Officers



Howard Brady
*President &
Chief Executive Officer*



Ann-Marie Katzer
*Senior Vice President,
Retail Delivery*



Bruce McCauley
*Vice President,
Loan Operations*



Brian A. Kennedy
*Executive Vice President,
Chief Strategy &
Revenue Officer*



Pamela R. Villanova
*Senior Vice President,
Digital Solutions*



Devon O'Nalty
*Vice President,
Inclusion & Diversity*



Jim Evans
*Senior Vice President,
Chief Information Officer*



Khaled Ahmed
*Vice President,
Information Technology*



Ann G. Riley
*Vice President,
Process Excellence*



Ryan McEleney
*Senior Vice President,
Chief People &
Culture Officer*



Scott Halstead
*Vice President,
People & Culture*



Ashley Rollins
*Vice President,
Loan Administration*



Larry W. Michaud, Jr.
*Senior Vice President,
Chief Financial Officer*



Nancy Lockrhyn
*Vice President,
Finance*



Lisa Rood
*Vice President,
Branch Experience &
Solutions*



Dianna Wilson
*Senior Vice President,
Chief Experience Officer*



Patty Mason
*Vice President,
Real Estate Lending*



Joanne Valentine
*Vice President,
Card & Deposit
Operations*



Chris A. Willey
*Vice President,
Enterprise Risk
Management /
Security Officer*



CONSOLIDATED STATEMENT OF FINANCIAL CONDITION

(In thousands)

2024

2023

Assets

Cash and Cash Equivalents	\$517,582	\$643,993
Loans to Members	1,484,015	1,621,283
Investment Securities	452,520	343,312
Other Assets	45,062	40,003
Premises and Equipment	23,536	23,392
National Credit Union Share Insurance Fund	22,393	21,890
Accrued Interest Receivable	8,116	5,213
Total Assets	\$2,553,224	\$2,699,086

Liabilities and Members' Equity

Members' Shares	\$2,255,432	\$2,408,887
Notes Payable	801	-
Accrued Expenses and Other Liabilities	45,065	50,830
Dividends Payable	1,244	1,769
Members' Retained Earnings	250,682	237,600
Total Liabilities and Members' Equity	\$2,553,224	\$2,699,086

CONSOLIDATED STATEMENT OF FINANCIAL INCOME

(In thousands)	2024	2023
Interest Income		
Interest on Loans	\$66,689	\$68,685
Income from Investments	<u>39,057</u>	<u>21,819</u>
Total Interest Income	105,746	90,504
Interest Expense		
Dividends on Shares	40,016	27,386
Interest on Borrowed Money	<u>14</u>	<u>28</u>
Total Interest Expense	40,030	27,414
Net Interest Income	65,716	63,090
Provision for Loan Loss	<u>3,033</u>	<u>1,701</u>
Net Income after Provision	62,683	61,389
Non-interest Income		
Other	18,217	17,563
Visa® Operating Income	3,734	3,810
Gain/(loss) on Mortgage Loan Sales	<u>229</u>	<u>98</u>
Total Non-interest Income	22,180	21,471
Non-interest Expense		
Compensation and Benefits	38,084	36,122
Office Operations	19,833	18,453
Office Occupancy	5,143	4,948
Other	5,692	4,658
Loan Servicing	<u>5,504</u>	<u>5,660</u>
Total Non-interest Expense	74,256	69,841
Net Income	\$10,607	\$13,019



Avon

427 West Avon Road

Bloomfield

699 Cottage Grove Road

Cromwell

4 Hammerhead Place

East Hartford

361 Main Street

Enfield

201 Elm Street

Glastonbury

109 Sycamore Street

Hartford

15 Van Dyke Avenue

Hartford Hospital (limited access)

85 Jefferson Street

Manchester

304 Broad Street

Newington

3579A Berlin Turnpike

North Haven

84 Washington Avenue

Plainville

378 New Britain Avenue

South Windsor

530 Buckland Road

Southington

888 Queen Street

Vernon

455 Hartford Turnpike (Rt. 30)

West Hartford

1245 New Britain Avenue

AmericanEagle.org



Freedom to Soar



Federally insured by NCUA