



ANNUAL REPORT 2024



Letter From Chairman and CEO

Dear Valued Members,

As we reflect on 2024, we recognize that this year brought both meaningful progress and significant challenges. While our commitment to growth and member service remained steadfast, economic conditions presented hurdles that impacted the financial services industry. Interest rates remained higher than anticipated, and economic pressures led to increased defaults across the nation. While First Commonwealth was not immune to these challenges, our proactive approach helped us maintain our strong and sound foundation.

Despite these headwinds, 2024 was also a year of progress and impact. Guided by our unwavering dedication to our members and the communities we serve, we expanded our reach, enhanced our services, and strengthened our partnerships. Our success is a testament to the dedication of our Board of Directors, Associate Board, Supervisory Committee, and our talented employees, who work tirelessly to uphold the values that define our credit union. Our top priority remains empowering you, our members, with the tools and resources needed to achieve financial resilience.

This year marked a significant milestone for First Commonwealth as we expanded our membership and presence through three successful mergers. On June 1, 2024, we finalized our merger with Bellco Federal Credit Union, bringing two additional Financial Centers in Sinking Spring and Wyomissing in Berks County. We also welcomed Jay Bee Employees Federal Credit Union and St. Elizabeth Credit Union under the First Commonwealth name. These mergers further enhance our ability to serve members across our communities, ensuring greater access to financial resources and a more comprehensive banking experience.

2024 was a year of remarkable growth for First Commonwealth. Our membership base grew to over 95,000 members, and our assets surpassed \$1.3 billion. We expanded to 14 Financial Centers, reinforcing our commitment to providing accessible and innovative banking solutions to our region. As one of the most accomplished and preeminent credit unions serving Pennsylvania

and New Jersey, we remain focused on delivering a top-tier digital banking experience and personalized financial solutions that empower our members to thrive.

Our commitment to community engagement remained strong in 2024. We proudly awarded 10 scholarships totaling \$15,000 to support students pursuing higher education, with plans to introduce an adult learner category in 2025. Additionally, our team members took home first place at the Volunteer Center of the Lehigh Valley's Volunteer Challenge for transforming the outdoor spaces at the Boys and Girls Club of Bethlehem—creating a lasting impact for over 600 children and teens. Another highlight was our partnership with the American Cancer Society, which led to the collection of over 500 Squishmallows at our Financial Centers, generously donated by our members to bring comfort to children undergoing pediatric cancer treatment. We also announced a four-year partnership with the Lehigh Valley Zoo to support wildlife conservation and community engagement, with our sponsorship of the giraffe exhibit. Lastly, we are especially proud of our Financial Wellness Program, which through our dozens of Certified Financial Counselors grew to three schools and two prisons, delivering much needed financial education throughout our communities.

Looking ahead, we are making exciting strides in enhancing our footprint. We recently broke ground on our new Lehighon Financial Center, a 2,600-square-foot facility set to open in 2025. Additionally, our Union Blvd. Financial Center will relocate to a more convenient location, offering easier access and an improved member experience. These state-of-the-art locations will provide enhanced services and advanced amenities, reinforcing our commitment to innovation and accessibility.

While 2024 brought challenges, we are proud of the resilience and strength of our credit union. We remain committed to navigating economic uncertainties with a focus on stability, innovation, and service. Your trust in First Commonwealth fuels our mission and drives us to evolve, expand, and support you in achieving financial success.

On behalf of our Board of Directors, Associate Board, Supervisory Committee, and Executive Leadership Team, we sincerely thank you for your membership. We look forward to another year of progress and partnership, always striving to be your trusted financial partner.

With gratitude,



William Ehritz
William Ehritz

Chairman, Board of Directors



Donna LoStocco
Donna LoStocco

President and CEO



Board of Directors and Officers

As a not-for-profit financial cooperative, First Commonwealth has a volunteer Board of Directors, Associate Board, and Supervisory Committee who are responsible for the oversight of the credit union's long-term strategy and ensuring we are financially sound, safe, and secure.

Each year, our dedicated volunteers give their personal time to guide the organization's strategic direction, participate in conferences and governmental affairs, and stay abreast of industry needs.

Board of Directors



William Ehritz
Chairman



Eric Schantzenbach
Vice Chairman



Amanda Seddon
Treasurer



Peter Hance
Secretary



Ngozi Bell
Director



Vince Gorman
Director



Juan Martinez
Director



Gary Matika
Director



Ritchey Ricci
Director



Eric Rosenberger
Director



Eugene Auman
Director - Emeritus

Supervisory Committee



Steven Farnesi
Chairman



Julie Moakley
Member



James Steele
Member



Sundar Vedantham
Member



David Zullo
Member

The Supervisory Committee is a statutorily required committee for all federally chartered credit unions and its members are appointed by the Board of Directors. Its primary oversight functions are:

- › To ensure First Commonwealth's financial statements accurately represent the condition of the credit union.
- › To confirm that operations comply with all applicable laws and regulations.
- › To ensure internal controls are in place in all departments.
- › To verify members' accounts, match the credit union's records.

These functions are performed by the Internal Audit department and outside independent firms contracted by the Supervisory Committee. The internal auditor is responsible for conducting internal operational audits, compliance reviews, and reporting findings to the Supervisory Committee.

The certified public accounting firm of Clifton Larson Allen LLP (CLA) was contracted to perform the annual audit of First Commonwealth's 2024 financial statements and issued an unmodified opinion. Based on CLA's opinion and the work of Internal Audit, the Supervisory Committee believes the records of the Credit Union accurately reflect the strong financial condition of the Credit Union.

The National Credit Union Administration (NCUA), the credit union's federal regulator and insurer, performs regular examinations to assess the credit union's financial condition, management, and operations to ensure the risks associated with operating the financial institution are properly measured, monitored, and mitigated. The NCUA conducted an examination in 2024 and the credit union continues to be well capitalized.

Associate Board of Directors



Lizette Epps
Associate Director



David Hlavinka
Associate Director



Marilyn Morel
Associate Director



Executive Leadership Team

At First Commonwealth, our Executive Leadership Team is driven by our core mission of empowering your pursuit of financial happiness. With a deep commitment to innovation and forward-thinking, they are the guiding force behind our member-centric approach to banking.

Collaborating closely with our volunteer Board of Directors, Associate Board, and Supervisory Committee, our leadership team tirelessly ensures that our members' needs remain at the forefront of everything we do. By prioritizing your financial goals, we create a truly personalized banking experience that allows our members to capture their financial dreams with confidence and peace of mind.

Executive Leadership Team



Donna LoStocco
President and CEO



John Melcher
Chief Strategy Officer



Terry Grier
Chief Lending Officer



Kim Murray
Chief Financial Officer



Karla Trumbauer
Chief Information Officer



Statements of Income	2024	2023	Statements of Financial Condition	2024	2023
Interest Income			Assets		
Loans	\$61,079,637	\$48,485,504	Cash and Cash Equivalents	\$70,539,012	\$74,668,671
Securities, Interest Bearing Deposits, and Cash Equivalents	\$5,557,089	\$3,036,634	Interest Bearing Deposits	\$1,840,000	—
Total Interest Income	\$66,636,726	\$51,522,138	Securities - Available for Sale	\$109,182,162	\$126,257,289
			Other Investments	\$1,403,445	\$1,200,621
Interest Expense			Loans, Net	\$1,091,669,341	\$932,471,591
Members' Share and Savings Accounts	\$19,649,469	\$10,205,173	Accrued Interest Receivable	\$4,072,791	\$3,333,981
Interest on Borrowed Funds	\$972,297	\$2,210,957	Foreclosed and Repossessed Assets	\$179,984	\$385,970
Total Interest Expense	\$20,621,766	\$12,416,130	Premises and Equipment, Net	\$40,159,792	\$35,099,282
Net Interest Income	\$46,014,960	\$39,106,008	NCUSIF Deposit	\$12,288,333	\$9,621,527
Provision for Possible Credit Losses	\$14,718,737	\$6,092,241	Credit Union Owned Life Insurance	\$6,323,727	\$6,011,277
Net Interest Income After Provision for Credit Losses	\$31,296,223	\$33,013,767	Other Assets	\$16,217,856	\$9,551,847
			Total Assets	\$1,353,876,443	\$1,198,602,056
Non-Interest Income			Liabilities and Members' Equity		
Service Charges and Fees	\$6,000,535	\$5,066,364	Liabilities		
Other Non-Interest Income	\$9,806,287	\$8,936,449	Members' Share and Savings Accounts	\$1,219,400,517	\$1,052,379,027
Net Gain on Sale of Investments	\$2,355,457	—	Accrued Expenses and Other Liabilities	\$15,391,723	\$17,580,081
Net Gain on Sale of Loans	\$307,964	\$272,077	Borrowed Funds	—	\$27,000,000
Net Gain on Disposition of Assets	\$170,424	\$14,636	Total Liabilities	\$1,234,792,240	\$1,096,959,108
Total Non-Interest Income	\$18,640,667	\$14,289,526	Members' Equity		
			Undivided Earnings	\$133,477,421	\$117,566,174
Non-Interest Expenses			Accumulated Other Comprehensive Loss	(14,393,218)	(15,923,226)
General and Administrative:			Total Members' Equity	\$119,084,203	\$101,642,948
Employee Compensation and Benefits	\$24,107,557	\$20,943,543			
Office Occupancy and Operations	\$15,553,256	\$13,599,737			
Other Operating Expenses	\$9,277,964	\$8,061,712			
Total Non-Interest Expense	\$48,938,777	\$42,604,992			
Net Income	\$998,113	\$4,698,301	Total Liabilities and Members' Equity	\$1,353,876,443	\$1,198,602,056



Locations

Allentown Financial Center

450 Union Blvd.
Allentown, PA 18109

Bethlehem Financial Center

5500 Crawford Dr.
Bethlehem, PA 18017

Corporate Headquarters

6126 Hamilton Blvd.,
Suite 100
Allentown, PA 18106

Downtown Allentown Financial Center

840 W Hamilton St.,
Suite 122
Allentown, PA 18101

Easton Financial Center

300 William Penn Hwy.
Easton, PA 18045

Emmaus Financial Center

1080 Chestnut St.
Emmaus, PA 18049

Fogelsville Financial Center

7627 Tilghman St.
Allentown, PA 18106

Kutztown Financial Center

15093 Kutztown Rd.
Kutztown, PA 19530

Lehigh Financial Center

1241 Blakeslee Blvd. Dr.
E, Suite 22
Lehigh, PA 18235

Northwood Financial Center

3515 Nazareth Rd.
Easton, PA 18045

Phillipsburg Financial Center

501 Baltimore St.
Phillipsburg, NJ 08865

Sinking Spring Financial Center

2 Cloister Ct.
Sinking Spring, PA 19608

Trexlertown Financial Center

6084 Hamilton Blvd.
Allentown, PA 18106

Whitehall Financial Center

2752 MacArthur Rd.
Whitehall, PA 18052

Wyomissing Financial Center

609 Spring St.
Wyomissing, PA 19610



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Federally Insured by NCUA | An Equal Housing Lender | NMLS 595144
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