



2024 ANNUAL REPORT



WHEREVER YOU ARE IN YOUR FINANCIAL JOURNEY...
WE MAKE BANKING SMART AND SIMPLE.

MEMBERS
105,437

ASSETS
\$1,034,145,071

TEAM MEMBERS
274

LOCATIONS
20



**BEST AND
BRIGHTEST[®]**
COMPANIES
TO WORK FOR
TOP 101 IN THE NATION
WINNER 2024

Meet our Board of Directors

Our board directors come from communities across Michigan. They are unpaid volunteers who selflessly lend their time and expertise to guide the direction of 4Front Credit Union. Directors serve three-year terms.

Todd Rohrback, Chairman

Bryan Lindfors, Vice Chairman

Jack Hodge, Treasurer

Skyler Fort, Secretary

Brian Ausdemore

Charles Hague

Julie Kosloskey

Matilyn Meadows

Mike Slater



4Front's Forward Flow: A Year in Review

Todd Rohrback Chairman

As your Board Chairman, it is my privilege to share with you some highlights from a year of meaningful impact on the community and our membership here at 4Front Credit Union.

2024 was defined by the financial industry's ongoing adaptation to ever-evolving economic conditions, focused on managing inflationary pressures and fluctuating interest rates. Financial institutions like ours continued to navigate regulatory changes while increasing our emphasis on cybersecurity. Despite these challenges, 4Front remained resilient, putting our members' needs first, reinvesting in our communities, and providing personalized financial solutions.

With successful expansion into West Michigan and the acquisition of Old Mission Bank in the Upper Peninsula complete, the Credit Union focused on refining internal processes and strengthening its operational foundation. This dedicated effort has allowed us to improve efficiency and ensure long-term sustainability. Your Board is proud of management and staff's pursuit of this continuous improvement on behalf of the entire membership.

I am proud to share that through the 4Front Foundation, we awarded grants to four outstanding Michigan charities in 2024, including PoWeR! Book Bags, Homestretch Nonprofit Housing, Veterans Serving Veterans Food Bank, and Grass River Natural Area. These grants were made possible thanks to generous donations from our members, community partners, and vendors. Your support plays a crucial role in helping us fulfill the Foundation's mission of building stronger and more vibrant communities.

Looking ahead, your Board has been working closely with the management team to develop its strategic priorities for the next few years. Included in our strategic plan is maintaining strong financial performance while improving operational efficiency, enhancing the member experience through innovative digital solutions, and attracting and retaining top talent. Together, focusing on these priorities will help us strengthen our institution and position it for continued success in the years to come.

On behalf of the Board of Directors, I would like to express our sincere gratitude for your continued trust and support. Your loyalty is the driving force behind 4Front Credit Union's success. We are proud to serve you and remain committed to upholding the principles of member-centric service, innovation, and growth as we embrace 2025.

Sincerely,



Todd P. Rohrback, Chairman



Andy Kempf CEO

In 2024, we celebrated 70 years as a Michigan credit union. This is a remarkable milestone, not just in the number itself, but in what it represents: seventy years of hard work from credit union staff, resilient leadership from your board of directors, and, most importantly, unwavering trust from you, our members. Thank you for supporting us and this institution for all these years.

Following two years of significant growth with our expansion into the Upper Peninsula and West Michigan, we used 2024 to develop these new service regions, hone our best-in-class member experience, and grow our products and services.

We continued our focus on bringing convenience to the banking experience, including optimizing our online banking platform and digital tools. We've coupled this with ongoing upgrades to our branch locations and the addition of VideoTeller technology to our ATMs, ensuring that you have options best suited to how you want to transact with us.

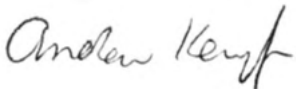
The technological and cybersecurity landscape continues to change rapidly, and 2024 was no different. In response, we bolstered our investment in state-of-the-art cybersecurity programming and fraud protection. We've also engaged in practical uses of artificial intelligence to create efficiencies and improve member experience.

Bringing financial education to people of all ages continues to be a critical part of our mission. Last year, we partnered with numerous local organizations and schools, including a new partnership with Muskegon Community College, to offer financial literacy content and programming. In addition, our website and its integration with Banzai Interactive Library remain a hub for financial literacy articles, courses, and interactive coaches. For those looking for education on the go, our podcast "Tell Me It's Friday," available on Apple Podcasts and Spotify, brings a variety of financial content directly to your phone.

4Front's commitment to community hit new heights in 2024. Thanks to the generosity of vendors, community partners, and members like you, the 4Front Foundation raised and distributed \$30,000 in grants to Michigan non-profit organizations. As a credit union, we invested \$256,000 into nearly 150 different causes, initiatives, and events across the state. In turn, our employees gave over 3,300 hours of their time to volunteer in their communities.

On behalf of everyone at 4Front, thank you again for your trust and membership. We look forward to supporting you on your financial journey this year and in the many years to come.

Sincerely,



Andrew Kempf, Chief Executive Officer



Karl Pagel CFO

In a year of continued economic uncertainty and an evolving financial landscape, 4Front has once again demonstrated its unwavering commitment to strength, resilience, and delivering exceptional value to our members. Building on the foundations of our past success, 2024 has been a year of operational achievements and impactful member-focused initiatives.

One of the highlights of our commitment to convenience and efficiency is the 28,000 instant-issue cards printed directly in our branches. These cards ensure that our members have immediate access to their accounts, reflecting our dedication to smart and simple solutions.

Real-time payments continued gaining traction with 94,000 transactions processed, totaling \$28.4 million. Mobile wallet transactions also saw significant growth with nearly 555,000 transactions totaling \$13.9 million, highlighting the increasing adoption of digital payment options among our members.

Beyond providing cutting-edge financial tools, we prioritized member safety and security. In 2024, we successfully prevented over \$1.5 million in member losses, showcasing our dedication to protecting members from fraud and financial harm.

Our members have also benefited from the strength of their investments, as 4Front distributed \$13.6 million in share dividends during the year, demonstrating our commitment to providing tangible returns and rewarding member loyalty.

At 4Front, we believe that success goes beyond the numbers—it's about the trust and well-being of our members. Our ability to deliver innovative solutions, safeguard member assets, and provide meaningful returns underscores our position as a pillar of stability in an ever-changing financial world.

As we close the books on 2024, we stand firm in our mission to empower our members, navigate challenges with confidence, and remain a beacon of financial stability and member-centric excellence. Together, we look forward to a bright and prosperous 2025.



Daniel Baker CLO

As we reflect on 2024, I'm pleased to share our results and the positive impact we've had on our members' lives. As your Chief Lending Officer, it is both an honor and a privilege to report on the strides we've made together in meeting your financial needs and empowering your future.

In 2024, it was more important than ever to support our members along their financial journey. The year brought plenty of economic uncertainty from sustained inflation, rising interest rates, and tight housing supply. Home and auto affordability issues that started in 2023 deepened in 2024, as we all navigated a rising interest rate environment. Despite these headwinds, 4Front funded more than \$176 million in new loans spread throughout our Michigan communities. These loans translate to endless stories of homes where members build families, cars that offer members reliable transportation, and startup businesses eager to serve their communities. The year's loan activity led to portfolio growth in mortgage loans and member business loans to the tune of \$15 million and \$11 million respectively. The growth in these portfolios is a testament to the trust our members place in us and the dedication of our lending teams to support their financial goals.

One of our core priorities remains to ensure our lending programs are designed with our members' best interests in mind. This year we proudly launched our CreditBuilder program which provides a risk-free launchpad for our members who are looking to start or restart their credit journey. The CreditBuilder program empowers our members to build productive credit habits and learn how to navigate a healthy relationship with loans.

Overall, 2024 was a successful year of lifting our members up and ensuring we remain well-positioned for the next chapter of their financial journey.



Luis Pardo CXO

We continue to be there for our membership when it matters most. This year, we expanded opportunities to take care of your banking needs by upgrading our standalone ATMs in Bellaire, Boyne Falls, and Harbor Springs to VideoTellers. Now you can conduct your typical ATM transactions 24 hours a day or choose to see one of our smiling employees on screen during extended hours. This allows you to conduct a transaction you would normally need to see a teller to complete (e.g., make a deposit, loan payment, withdraw cash/coins, etc.) right from the ATM.

We have more upgrades to our branch locations planned for 2025. This is more than a fresh coat of paint. In these branches, members are empowered with VideoTeller options to decrease their wait time for basic transactions. This allows our staff to then have more capacity to help you with more complex needs during your financial journey. We have placed a VideoTeller in each of those lobbies so you can take it for a spin. Haven't tried one yet? It is quick and easy, and you will get to meet more members of our local dedicated team.

Perhaps you would rather make a phone call. Early in 2024, we proudly introduced Penny, our 24/7 virtual phonenumber assistant. When you call, Penny can help you with various banking tasks such as checking your balance, transferring funds, making loan payments, and more. If you need additional assistance, Penny can connect you to a helpful employee who can answer your questions during business hours.

Lastly, we are proud to complete our first full calendar year serving our new West Michigan and Upper Peninsula members. Our commitment to our home state remains strong, and we will continue to find smart and simple ways to support our fellow Michiganders on their financial journey.



Jack Martin CIO

The Strategic Innovations team remains dedicated to empowering our members through simplified and enhanced banking experiences. This year's focus centered on delivering improved services, driving digital innovation, and implementing operational automation, all aimed at creating a seamless, secure, and convenient banking environment.

A key achievement has been the significant improvement in system availability and minimized recovery times. This ensures consistent access to vital services and is supported by enhanced communication protocols that provide timely and transparent updates to both members and staff. This commitment to reliability is foundational to our member experience.

From an innovation perspective, we've focused on enhancing the functionality and security of our mobile app. Members now have greater control over their debit and credit cards and can easily set travel notifications and report lost or stolen cards directly within the app. Furthermore, we've strengthened security through enhanced authentication protocols and timely alerts for account changes, significantly reducing the risk of fraud and further protecting our members' financial information.

In collaboration with other departments, we proudly supported the launch of a new CreditBuilder loan program designed to empower members to take control of and improve their credit scores. We also enhanced ATM functionality, allowing members greater flexibility to select preferred denominations for cash withdrawals. Additionally, we are excited to be rolling out a new Person-to-Person payment platform that offers a safe, simple, and convenient way for members to send and receive money within their trusted networks.

We are actively and proudly working to improve our members' financial well-being through these advancements in technology, security, and service delivery.



2024 By The Numbers



Member Experience Survey Response Score



Students Impacted
by Financial Literacy Programming



Hours Volunteered
by Employees



Share Dividends
paid to members



\$260,000

Reinvested in community events and causes



\$22.7 million

Lent to member businesses



202

First mortgages originated

4FRONT
FOUNDATION

\$30,000

distributed in grants by the 4Front Foundation

Financial Statement

	HISTORY 12-2024 \$ Month End*	HISTORY 11-2024 \$ Month End*	Var \$*	HISTORY 12-2023 \$ Month End*	Var \$*
Auto Loans	262,364,786	268,859,077	-6,494,291	326,982,646	-64,617,860
Business Loans	176,681,335	175,541,519	1,139,816	163,750,819	12,930,516
Real Estate Loans	210,818,032	207,868,222	2,949,810	192,309,440	18,508,592
Credit Cards	13,312,029	13,055,152	256,877	13,398,985	-86,955
Other Loans	78,690,506	79,583,219	-892,713	85,241,185	-6,550,680
Total Loans to Members	741,866,688	744,907,189	-3,040,501	781,683,075	-39,816,387
Total Credit Loss Allowance	-7,640,310	-7,594,065	-46,245	-7,639,628	-681
NET LOANS	734,226,378	737,313,124	-3,086,746	774,043,447	-39,817,069
TOTAL ACCOUNTS RECEIVABLES	5,454,985	4,801,497	653,488	5,594,958	-139,973
TOTAL CASH	49,328,160	56,729,265	-7,401,105	36,969,461	12,358,699
TOTAL INVESTMENTS	153,662,569	155,614,629	-1,952,059	177,126,164	-23,463,594
Land	6,159,809	6,159,809	0	6,159,809	0
Total Buildings	34,953,243	35,101,291	-148,048	36,727,987	-1,774,743
Furniture/Equipment	6,509,873	6,653,749	-143,877	7,271,649	-761,777
TOTAL FIXED ASSETS	47,622,925	47,914,850	-291,925	50,159,445	-2,536,520
TOTAL OTHER ASSETS	35,076,646	34,160,829	915,817	34,281,636	795,010
NCUSIF Deposit	8,969,571	8,969,571	0	9,872,056	-902,486
TOTAL ASSETS	1,034,341,234	1,045,503,763	-11,162,529	1,088,047,166	-53,705,933

*Figures are in whole dollars

Financial Statement

	HISTORY 12-2024 \$ Month End*	HISTORY 11-2024 \$ Month End*	Var \$*	HISTORY 12-2023 \$ Month End*	Var \$*
BORROWED FUNDS	40,000,000	40,000,000	0	3,000,000	37,000,000
Accounts Payable	1,082,741	729,288	353,453	-198,725	1,281,466
Total Accrued Expenses	3,142,004	2,856,408	285,596	3,037,253	104,751
Other Liabilities	-1,193,282	5,892,170	-7,085,451	1,938,383	-3,131,665
TOTAL OTHER LIABILITIES	3,031,463	9,477,865	-6,446,402	4,776,911	-1,745,448
Regular Shares	230,349,170	233,452,425	-3,103,255	240,241,379	-9,892,209
Checking	301,076,300	305,780,305	-4,704,005	298,442,064	2,634,235
Money Market Shares	130,560,299	131,487,249	-926,951	136,267,149	-5,706,850
Share Certificates	183,869,347	179,589,266	4,280,081	264,533,449	-80,664,102
IRA/KEOGH Accounts	29,864,075	30,150,096	-286,021	32,886,026	-3,021,951
All Other Shares	25,815,083	26,151,824	-336,741	25,368,880	446,203
TOTAL SHARES	901,534,274	906,611,165	-5,076,891	997,738,948	-96,204,674
Regular Reserves	2,906,664	2,906,664	0	2,906,664	0
Unrealized G/L AFS Investment	-7,472,958	-7,175,601	-297,358	-10,997,263	3,524,305
Equity Acquired in Merger	22,579,511	22,579,511	0	22,579,511	0
Undivided Earnings	68,042,395	68,042,395	0	64,458,781	3,583,614
Net Income	3,719,885	3,061,764	658,122	3,583,614	136,271
MEMBER CAPITAL	89,775,497	89,414,733	360,764	82,531,307	7,244,190
TOTAL LIABILITIES & EQUITY	1,034,341,234	1,045,503,763	-11,162,529	1,088,047,166	-53,705,932

*Figures are in whole dollars

People Helping People

Giving back for the greater good

As a not-for-profit financial institution, 4Front's mission is to make a difference in the lives of people in our communities. From supporting charitable causes and events to offering no-cost financial education to schools and community organizations, our team members strive to live out the credit union philosophy of "people helping people."





4Front Foundation

Total Grants Awarded in 2024: **\$30,000**

Founded in 2021, the 4Front Foundation aids nonprofits in providing services to the community and supports education through scholarship and financial literacy programs. The Foundation also works to create innovative programs for our members and to increase our outreach and impact in the community.

In 2024, the 4Front Foundation awarded grants to the following recipients:



Grass River Natural Area
\$10,000 Project Grant



PoWeR! Book Bags
\$10,000 Program Grant



Veterans Serving Veterans
\$5,000 Operations Grant



Homestretch Nonprofit Housing
\$5,000 Operations Grant

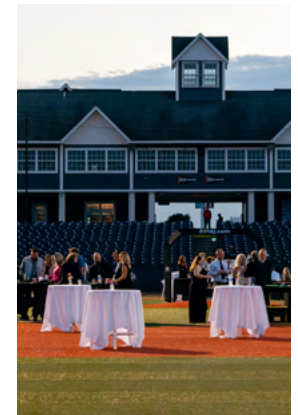
Thank You!

Evening on the Diamond was a home run!

Last September, the 4Front Foundation hosted its “Evening on the Diamond” fundraising event at Turtle Creek Stadium in Traverse City. Over 100 guests enjoyed a night of casino games, baseball-themed challenges, and gourmet food and drink.

Thanks to the generosity of attendees and sponsors, the 4Front Foundation was able to give \$30,000 in grants to Michigan nonprofit organizations in 2024 (and \$10,000 in scholarships in 2025!)

Learn more about the 4Front Foundation and how you amplify the impact of your generosity by visiting 4frontfoundation.org.





4frontcu.com

