



# Clearpath

FEDERAL CREDIT UNION



## ANNUAL REPORT 2024

## REPORT FROM THE CHAIRMAN & PRESIDENT/CEO

In 2024, while our nation closely tracked presidential election campaigns and the state of our economy, Clearpath was helping members reach their financial goals, improving our digital banking services, and building financial strength.

We are honored to share with our valued members and business partners this annual summary of Clearpath's overall financial performance for 2024.

Throughout the year, Clearpath continued on its trajectory of financial growth and soundness. Total assets grew by nearly \$33 million (22%) to a new high of \$184 million, while total operating expenses decreased by \$230,372 (3.5%).

Encouraged by attractive rates of return in a high-interest rate environment, members continued to turn to Clearpath as a secure place to save and build wealth. This trend helped fuel a \$33.5 million (25%) increase in total shares.

As a member-owned not-for-profit credit union, Clearpath returns earnings generated by loans to our members in the form of dividends and lower borrowing rates. We're proud to report that we paid members a total of \$2,702,075 in dividends in 2024, an increase of nearly \$1.4 million.

Serving our members' borrowing needs is one of the main reasons the credit union exists. In 2024, despite having 5% fewer loan units, Clearpath's total loan balances, including auto, home, and personal loans, increased by \$22.5 million (21%). Thanks in large part to funding 21 new commercial loans totaling \$32.5 million, the credit union's total loan income grew by \$1.1 million (20%).

Always striving to improve our members' overall banking experience, Clearpath launched new online and mobile banking systems in 2024 and celebrated the opening of a new full-service branch in North Hollywood. These service enhancements help ensure that members continue to receive excellent, efficient service both digitally and in our branches.

In summary, 2024 was another year marked by financial growth and service innovations. We thank the credit union's talented staff and management team, our Board of Directors and diligent Supervisory Committee for their service and dedication throughout the year.

We look forward to serving you and your families, our business partners, and our communities in 2025 and beyond.

**Russell Morgan, Board Chairman**  
**Gerardo Guzman, President/CEO**

## TREASURER'S REPORT

In 2024, Clearpath Federal Credit Union was able to achieve significant growth and progress across a variety of financial performance metrics. These included increases in total shares, total assets, income from loans, and total operating income. Notably, this growth was achieved in a year that the credit union's overall operating expenses decreased by 3.5%.

Loans to members grew by 21%, income from loans increased by 20% to \$6,489,208, while loan delinquencies decreased to 0.41%. The credit union's loan-to-share ratio decreased by 2.78%, yet ended the year strong at 76.89%, indicating that Clearpath is efficiently funding loans as member deposits flow in. The credit union ended the year with a 0.16% return on assets (ROA).

The independent audit performed by the professional accounting firm of Richards & Assoc. together with our annual NCUA examination indicate that Clearpath remains well-capitalized and financially sound. For additional financial details, please refer to the summaries of our income statement and balance sheet included in this report.

Looking to 2025 and beyond, Clearpath remains focused on providing our membership and valued business alliances with competitively priced financial products and solutions proudly delivered with excellent service.

The credit union's financial growth and strength are attributable to diligent leadership and a loyal membership that continues to trust Clearpath to meet their changing financial needs.

I thank our Board of Directors, Supervisory Committee, and our dedicated staff for keeping the credit union on the path toward future success.

**Larry Gonzales**  
**Treasurer**

<b>Assets</b> Increase of 21.6%	<b>\$183,973,020</b>
<b>Total Shares/Deposits Growth</b> Increase of 24.8%	<b>\$33,497,943</b>
<b>Loan Income</b> Increase of 19.7%	<b>\$6,489,208</b>
<b>Loans Increased by (\$)</b> Change of 20.8%	<b>\$22,325,578</b>
<b>Return on Assets</b>	<b>0.16%</b>
<b>Delinquencies</b> Decrease of 0.10%	<b>0.41%</b>
<b>Total Loans (Units)</b> Decrease of 4.9%	<b>5,409</b>

## BALANCE SHEET

	DEC 2023	DEC 2024	VARIANCE
<b>ASSETS</b>			
Cash	\$17,634,438	\$28,320,028	\$10,685,590
Loans	107,290,511	129,616,089	22,325,578
Investments	19,952,358	17,787,403	(2,164,955)
Fixed Assets	2,322,436	3,089,568	767,132
Other Assets	4,046,079	5,159,932	1,113,853
<b>TOTAL ASSETS</b>	<b>\$151,245,822</b>	<b>\$183,973,020</b>	<b>\$32,727,198</b>
<b>LIABILITIES</b>			
Accounts Payable	\$2,237,916	\$1,464,966	\$(772,950)
Accrued Expenses	307,269	459,852	152,583
<b>TOTAL LIABILITIES</b>	<b>\$2,545,185</b>	<b>\$1,924,818</b>	<b>\$(620,367)</b>
<b>TOTAL SHARES/DEPOSITS</b>	<b>\$134,855,021</b>	<b>\$168,352,964</b>	<b>\$33,497,943</b>
AFS Securities–			
Unrealized Gains/Losses	\$(5,386,273)	\$(5,828,286)	\$(442,013)
Undivided Earnings	19,231,890	19,523,524	291,634
<b>TOTAL EQUITY*</b>	<b>\$19,231,890</b>	<b>\$19,523,524</b>	<b>\$291,634</b>
<b>LIABILITIES &amp; EQUITY</b>	<b>\$151,245,822</b>	<b>\$183,973,020</b>	<b>\$32,727,198</b>

\* Excludes Unrealized Gains/Losses

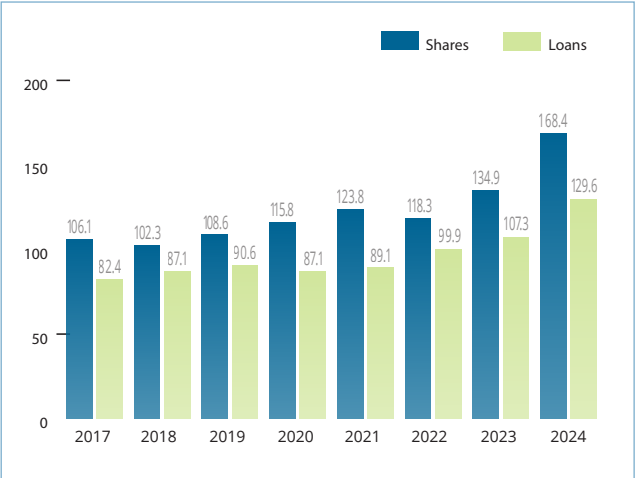
## INCOME STATEMENT

	DEC 2023	DEC 2024	VARIANCE
Loan Income	\$5,421,452	\$6,489,208	\$1,067,756
Investment Income	1,177,452	1,335,860	158,408
Other Income	1,986,616	1,747,218	(239,398)
<b>Total Operating Income</b>	<b>\$8,585,520</b>	<b>\$9,572,286</b>	<b>\$986,766</b>
Salaries & Benefits	\$2,711,703	\$2,960,858	\$249,155
Office Expenses	2,171,028	2,355,315	184,287
Outside Services	438,889	429,399	(9,490)
Loan Loss Provision	664,651	315,544	(349,107)
Other Expenses	658,176	352,959	(305,217)
<b>Total Operating Expenses</b>	<b>\$6,644,447</b>	<b>\$6,414,075</b>	<b>\$(230,372)</b>
Income Before Dividends	\$1,941,073	\$3,158,211	\$1,217,138
Dividends	1,309,360	2,702,075	1,392,715
Non Oper Gain/Loss Expense	(63,259)	(164,502)	(101,243)
<b>NET INCOME</b>	<b>\$568,454</b>	<b>\$291,634</b>	<b>\$(276,820)</b>

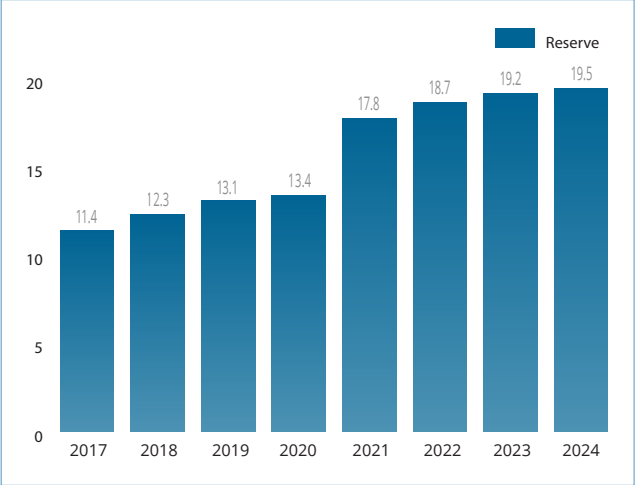
## STATISTICS

	DEC 2023	DEC 2024	VARIANCE
Members	11,007	10,623	-384
Total Loans	5,689	5,409	-280
Loan to Share	79.67%	76.89%	-2.78%
Delinquency	0.51%	0.41%	-0.10%

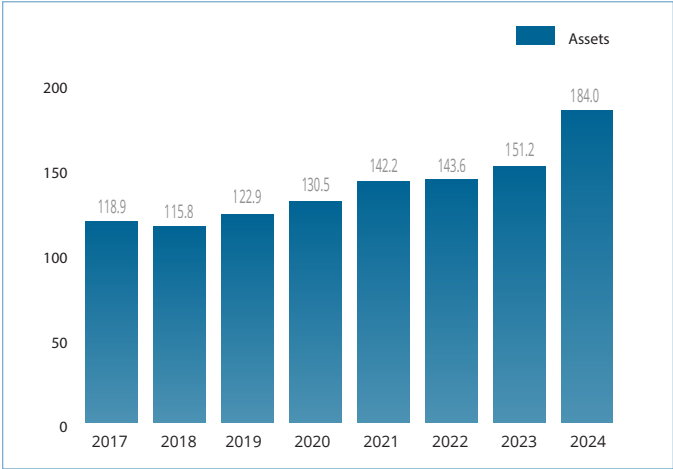
## SHARES & LOANS IN \$ MILLIONS



## RESERVES IN \$ MILLIONS



ASSETS IN \$ MILLIONS



SUPERVISORY COMMITTEE REPORT

Appointed by the Board of Directors, the Supervisory Committee ensures that Clearpath Federal Credit Union’s member assets remain secure, our financial records and operations are in compliance with state and federal regulations, and that the credit union’s leadership perform their duties with transparency and integrity.

The Committee met regularly throughout 2024 to review Clearpath’s operational and member records and engaged Richards & Associates Certified Public Accountants to conduct the annual audit for the fiscal year ending June 30, 2024. The accountancy firm executed a comprehensive review of Clearpath’s financial condition and performance, as well as the annual verification of members’ accounts.

The Committee is proud to report that Clearpath continues to operate on sound financial footing and in compliance with state and federal guidelines, while preserving the security and integrity of member shares and account information.

The Committee thanks Clearpath’s forward-thinking Board of Directors, leadership team, and dedicated staff for their outstanding service to the membership throughout the year.

**Eric Chan**  
Chairman, Supervisory Committee

MISSION STATEMENT

We are committed to providing superior financial services and partnering with our members to improve their financial well-being.

BOARD OF DIRECTORS

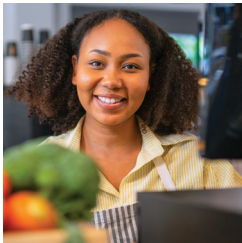
Russell Morgan	Chairman
Al Berrezueta	Vice Chair
Larry Gonzales	Treasurer
Chuck Polep	Secretary
Steve Letko	Director
Loree Agai	Director
Dan Cronin	Director

SUPERVISORY COMMITTEE

Eric Chan	Chairman
Thomas Wong	Member
Pam Gomez	Member

CREDIT UNION

Gerardo Guzman	President/CEO
Gokhan Urkmez	EVP/CFO
Javier Hurtado	Director, Operations
Laura Banakaite	Director, Lending





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Federally insured by NCUA