

President/CEO Report

Winona Nava, President/CEO

Welcome to the 2019 Annual Meeting. I am pleased to report that 2018 was another very successful year for Guadalupe Credit Union (GCU) with growth in both members and assets. The GCU team continues to focus on providing Financial Empowerment within the communities we serve.

Financial Empowerment efforts in 2018 included:

- Personal one-on-one coaching with our six full-time nationally certified financial coaches. These efforts helped members and non-members learn vital money management skills. It has been proven that getting your finances in order improves your physical health.
- Reality Fairs for teens in Santa Fe, Española, Taos, and Mora.
- Biz Kids Summer Financial Education Program held in conjunction with the City of Santa Fe.
- Seminars for members and non-members of all ages, including home buying, budgeting, and other money management skills.
- Santa Fe Farmer's Market loan program applicants.
- And many more!

GCU continues to provide products and services that provide an alternative to Predatory Lenders such as Check Cashers, Speedy Loans, Sun Loans, etc. Through the utilization of GCU products, members have saved thousands of dollars in interest. If you know someone who would benefit from these types of products and services, please let them know how we can help.

The new GCU mobile app was rolled out with many new features, including an upgrade to the interface, making it cleaner and easier to navigate. We also added biometrics for additional security and more options are now available to our mobile users.

The parking lot at the Airport Road Office was expanded to accommodate the continued growth of our membership at that branch. The drive-up ATM has been moved at the Airport Office. It will be replaced with an additional drive-up lane to help reduce the congestion at that facility during busy times.

GCU's field of membership now extends into Colfax County. GCU's Taos office will serve those living in Angel Fire and Eagle's Nest; the Mora office will serve those living in Maxwell. Additionally by mid to late 2019 a full service GCU office will be opened in Raton.

Thank you to all of our members, staff, and volunteers for your loyalty and support of GCU!



Winona Nava

**President/CEO
Guadalupe Credit Union**



2019 ANNUAL MEETING

SUNDAY, APRIL 28 | SANTA MARIA DE LA PAZ



- | | |
|---|---------------------|
| 3601 Mimbres Lane, Santa Fe, 87507 | 505-982-8942 |
| 3721 Academy Road, Santa Fe, 87507 | 505-982-8942 |
| 1101 Don Diego Avenue, Santa Fe, 87505 | 505-982-8942 |
| 460-G. N. Riverside Drive, Española, 87532 | 505-747-6548 |
| 630 Paseo del Pueblo Sur, Suite 140, Taos, 87571 | 575-758-3899 |
| #508 Street Highway 518, Mora, 87732 | 575-387-2644 |



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Board of Directors' Report

Linda Medina, Board Chair

The Guadalupe Credit Union (GCU) Family: CEO Winona, management, staff, volunteers, and you, our members, made 2018 a successful year.

Financial Empowerment efforts in 2018 included:

- Loan exceeded projected goals with a **5.57%** growth.
- In coordination with financial coaching, a youth advisory group was started.
- Airport Branch parking was expanded.
- Membership grew to **20,203**.
- Continued to partner with community groups to improve the lives of individuals in our area.

The Board is responsible for setting the direction and control of the credit union. Looking forward is the strategic aptitude of the Board. We strive to be knowledgeable, to represent GCU, be willing to advocate for our members, and be passionate about GCU.

As we continue to grow, the Financial Empowerment Department continues to expand financial outreach to our members, students, and to the community we serve. Please take advantage of this resource. It's free and confidential. If you take away just one good idea it will be worth your time.

On behalf of the Board of Directors, I want to thank Winona and the GCU staff for their hard work and dedication in serving our membership and being active contributing members in the community. We thank our members for choosing Guadalupe Credit Union as your trusted financial institution.

Supervisory Committee Report

Hazeldine Romero, Supervisory Committee Chair

The Supervisory Committee is pleased to report another successful year for Guadalupe Credit Union. With our continued growth, it is more important than ever that we protect your money and provide efficient and effective service to our members and the communities we serve. Our Committee, through the Compliance and Internal Audit Department, completed audits and reviews of activities such as loans, collections, and new accounts. GCU management is in substantial compliance with the numerous policies and procedures.

Jaramillo Accounting Group is performing the 2018 audit. They completed the 2017 audit resulting in an unqualified opinion, meaning that our financial information was deemed accurate, complete and in accordance with financial reporting requirements. In addition, State and Federal regulators reviewed various aspects of our credit union and found no major areas of concern. Management immediately implemented any recommendations for improvement made by these various reviewers.

We continue to look for ways to improve day-to-day operations and we look forward to another successful year.

Treasurer Report

Toni Chavez, Board Secretary/Treasurer

As we get together for Guadalupe Credit Union's 71st Annual Meeting, I am pleased to report that GCU remains strong, providing affordable financial products and services to our members and continuing our mission of providing Financial Empowerment.

It is with great satisfaction that I provide to you an overall view of our financial status for 2018. Total assets grew **2.52%** in 2018, and loans to members grew by **5.57%**. For your reference, a comparison of where we stood as of December 31, 2018 compared to 2017 is shown below.

Guadalupe Credit Union remains committed to managing its members' funds according to the very highest standards. Protecting your resources is our first priority, and our CEO, our management team, and our staff, are all dedicated to providing our members with exceptional experiences and the best products and services for our community.

Statement of Financial Condition

ASSETS	DECEMBER 31, 2017	DECEMBER 31, 2018
Loans to Members	122,839,588.17	129,686,775.62
Less Allowance for Loan Loss	(1,619,834.44)	(1,544,018.19)
Cash	2,362,369.71	3,029,426.23
Investments	28,615,199.10	25,638,276.92
Building & Equipment	9,049,571.85	9,394,396.98
Other Assets	1,597,824.92	748,725.66
TOTAL ASSETS	162,844,719.31	166,953,583.22
LIABILITIES, SHARES, & EQUITY		
Liability	2,087,261.72	1,948,204.50
Share Certificates	46,890,976.14	46,818,072.96
IRA Deposits	6,338,608.14	5,648,805.06
Share Draft/Checking	16,892,205.15	19,132,496.51
Money Market Shares	21,564,906.08	19,612,928.41
Shares	50,981,900.60	54,206,530.88
Other Comprehensive Income	(1,490,697.00)	(2,325,858.00)
Undivided Earnings	730,059.09	730,059.09
Regular Reserve	18,849,499.39	21,182,343.81
TOTAL LIABILITIES, SHARES, & EQUITY	162,844,719.31	166,953,583.22
INCOME STATEMENT		
Loan Income	8,076,008.94	8,698,642.10
Investment Income	284,895.50	445,347.15
CDFI Grant	2,000,000.00	---
Other Income	3,356,105.88	3,831,643.26
TOTAL INCOME	13,717,010.32	12,975,632.51
Less Operating Expense	8,827,876.87	9,334,374.71
OPERATING INCOME	4,889,133.45	3,641,257.80
Dividends to Members	591,452.42	673,523.57
Interest on Borrowed Money	---	---
Less Loan Loss Expense	1,063,000.00	621,000.00
NET INCOME	3,234,681.03	2,346,734.23
Gain/Loss on Investment	---	---
Gain/Loss on Disposition of Assets	(140,512.51)	(13,889.81)
Gain/Loss from Bargain Purchase - Merger	115,890.93	---
NET INCOME	3,210,059.45	2,332,844.42

Loan Report

Brenda Dominguez, Chief Lending Officer

In 2018, Guadalupe Credit Union loans grew **5.57%**, an increase of **\$6.85 million** from December 2017. The main increase was **\$4.6 million** in auto loans. Congratulations to our Lenders and Financial Coaches for all of their hard work and contribution to another great year. All together, they processed **5,101** new loans totaling **\$47,170,103.00** with an average loan balance of **\$8,215.00**

On behalf of the lending team at Guadalupe Credit Union, we would like to thank you for trusting us with your financial well-being and allowing us to work with you to meet your ongoing financial needs.

We invite you to schedule an appointment for a free financial check up. Our Financial Coaches are here to guide you by looking at your current financial picture and to help you plan for the future, as well as to answer any questions you may have. We are committed to our mission and look forward to continuing to support our members by promoting Financial Empowerment.

Guadalupe Credit Union 2018 Loans

New Auto	405	8,817,401.00	6.80%
Used Auto	3,424	38,146,709.00	29.41%
Signature Loans	1,249	3,121,887.00	2.41%
LOC/Check Guard	2,503	7,052,003.00	5.44%
Rec. Vehicle	168	1,838,930.00	1.42%
Mobile Home	185	2,987,018.00	2.30%
TDR/Work Out			
Consumer Loans	17	292,784.00	0.23%
Share Secured	331	2,999,423.00	2.31%
Heavy Equipment Loans	4	66,126.00	0.05%
All Other Loans	2,432	787,672.00	0.61%
1st Mortgage <15 yr	173	8,789,640.00	6.78%
Vacant Land 1st Mortgage	159	5,378,313.00	4.15%
1st Mortgage Balloon	268	31,622,884.00	24.38%
1st Adjustable Rate Mortgage	57	8,978,280.00	6.92%
2nd Mortgage Balloon	2	208,905.00	0.16%
2nd Mortgage <15 yr	36	732,139.00	0.56%
Non Owner Occupancy			
Real Estate	9	464,782.00	0.36%
Non Owner Occupancy Balloon	5	352,015.00	0.27%
Mortgage Equity	8	313,973.00	0.24%
HELOC	56	1,464,259.00	1.13%
TDR/Work Out			
Mortgage Loans	28	3,376,171.00	2.60%
VISA	4,267	1,895,462.00	1.46%
TOTALS	15,786	129,686,776.00	100.00%

