

GUADALUPE CREDIT UNION

2022 ANNUAL REPORT



PRESIDENT/CEO REPORT

WINONA NAVA, PRESIDENT/CEO



It is with both happiness and sadness that I officially announce my retirement today. Friday, October 20, 2023 was my last day of work, completing 32 years and 5 months of service to GCU, and over 45 years of service to credit unions. When I started with GCU, we were \$10 million in assets, and because of your support and loyalty, GCU has grown to over \$260 million in assets. The year of 2022 was another successful year for GCU and our mission of **providing financial empowerment in the communities we serve**. I will miss all of you, our members, my great team, and the officials of GCU.

It is with great joy that I turn my leadership role with GCU over to Tanya Romero, who has served GCU for 21 years, the last few years as Senior Vice-President, Chief Operations Officer. The Board of Directors made an excellent choice in selecting her as my successor. It is very comforting to me to know that I am leaving GCU in proven and capable hands. I am confident that with the help and support of GCU's excellent team, she will lead GCU to even greater success during her tenure.

Your loyalty to GCU as member-owners continues to be the key to our success. Rather than spending a large amount of money on advertising, GCU continues to grow through word-of-mouth from you, our loyal members. GCU uses those advertising dollars to support organizations that share our value of improving lives in the communities we serve. GCU remains safe and sound, and is here to guide and help you and your family navigate difficult times.

I always get the help I need, the staff is always so friendly and helpful and they always make me feel respected even when I am having problems.

Margaret D.
(GCU Member for 12 Years)

My wife and I appreciate very much all of your help in making our dream of a new home come true.

Zacarias M.
(GCU Member for 2 Months)

I am completely satisfied with everything I have been through with Guadalupe Credit Union. They're very knowledgeable, pleasant and respectful.

Margarita J.
(GCU Member for 9 Years)

What YOU (our members) are saying about GCU!

Thank you for the car loan. Very knowledgeable and professional.

Erwin C.
(GCU Member for 4 Months)

I have never had an unpleasant experience at GCU. Everyone has always been professional, courteous, and efficient. I love my credit union!

Marianne B.
(GCU Member for 32 Years)

I was very satisfied with the service and will recommend Guadalupe Credit Union to my friends and family.

Daniel A.
(GCU Member for 1.5 Years)

BOARD OF DIRECTORS

SUPERVISORY COMMITTEE



Linda Medina

Board Chair



Bryan Maestas

Board Vice-Chair



Gladys Cobos-Romero

Board Sec./Treasurer



Donna Vigil

Supv. Sec./Treasurer



Alice Valdez

Supv. Vice-Chair



John Block III

Supv. Chair



Carmen Dominguez

Member



Roberta Armijo

Member

OUR MISSION

Providing financial empowerment within the communities we serve.



Tammie Mirabal

Member



Hazeldine Romero

Member

BOARD TREASURER'S REPORT

GLADYS COBOS-ROMERO, BOARD SECRETARY/TREASURER

Guadalupe Credit Union has shown resilience and adaptability throughout 2022. A side-by-side review of GCU's financial standing from 2021 to 2022 is presented in this annual report for your convenience. This year saw an encouraging increase in loans to members, which rose by 14.28%. This reflects the trust and engagement we have with our community and serves as a testament to our mission of financial empowerment.

Assets experienced a modest growth rate of 2.34%. Investment income, on the other hand, grew by an astounding 594.64%. Additionally, loan income continued its upward trend, showing a growth of 6.29% compared to the previous year.

Importantly, GCU has maintained a well-capitalized status at 12.68%. This robust financial position allows us the flexibility to navigate uncertainties and opportunities alike, always with our members' best interests in mind.

As we exercise careful management and thoughtful stewardship of the resources you entrust to us, we never lose sight of our commitment to serve and uplift our community. We thank you, our valued members, for your continuous loyalty and support. Your dedication plays a vital role in strengthening Guadalupe Credit Union's position as a trusted financial institution in our community. Together, we look forward to another year of shared successes and financial well-being.

STATEMENT OF FINANCIAL CONDITION

ASSETS	2022	2021
Loans to Members	\$156,633,311	\$137,059,791
Less Allowance for Loan Loss	(\$2,224,281)	(\$2,113,829)
Cash	\$3,741,156	\$3,915,375
Investments	\$84,676,142	\$99,090,858
Building and Equipment	\$10,268,706	\$10,467,096
Other Assets	\$5,268,485	\$4,028,867
TOTAL	\$258,363,519	\$252,448,158

LIABILITIES, SHARES & EQUITY	2022	2021
Liability	\$4,613,609	\$4,706,862
Share Certificates	\$38,989,587	\$47,155,905
IRA Deposits	\$4,235,415	\$4,607,222
Share Draft/Checking	\$40,292,385	\$40,010,730
Money Market Shares	\$27,822,206	\$27,928,480
Shares	\$114,480,953	\$102,976,549
Other Comprehensive Income	(\$2,599,779)	(\$2,685,207)
Undivided Earnings	\$29,799,084	\$27,017,558
Regular Reserve	\$730,059	\$730,059
TOTAL	\$258,363,519	\$252,448,158

INCOME STATEMENT	2022	2021
Loan Income	\$9,545,876	\$8,980,627
Investment Income	\$1,133,489	\$163,177
Other Income	\$6,024,920	\$5,460,214
Total Income	\$16,704,285	\$14,604,018
Less Operating Expense	\$12,274,236	\$10,982,825
Operating Income	\$4,430,049	\$3,621,193
Dividends to Members	\$661,347	\$840,923
Interest on Borrowed Money	\$58	\$16
Less Loan Loss Expense	\$1,024,082	\$57,433
Total Net Income Before Gains or Losses	\$2,744,563	\$2,722,821
Gain (Loss) on Investment	(\$694)	(\$5,153)
Gain (Loss) on Disposition of Assets	\$37,658	\$24,626
Net Income	\$2,781,526	\$2,742,294

BOARD OF DIRECTORS' REPORT

LINDA MEDINA, BOARD CHAIR

Welcome fellow members. Since we last met, GCU experienced emotional and challenging events:

- Our hearts broke when we lost two of our Guadalupe Credit Union family members, our Branch Manager, Lloyd Quintanilla and Chief of HR, Maria Vigil.
- We cheered Winona Nava as she was honored with the Herb Wegner National Award.
- The Board was challenged to choose a successor to the irreplaceable President/CEO, Winona Nava.
- After an extensive internal search of some very competent applicants, Tanya Romero is now our new President/CEO.

In addition, throughout 2022, we continued to help our members deal with the after effects of fires and floods. We continue to deal with national inflation, interest rate impacts, and the rise and fall of the COVID virus. Meanwhile, management and staff continue to help our members and our communities with Financial Counseling, Reality Fairs, Maria's Market, Mobile Banking and so many more financial services.

Speaking for the Board, we want to thank Winona for the many years she has guided Guadalupe Credit Union to be true to the people helping people promise. We will truly miss you and your guidance. To Tanya Romero, we have faith in you and support you as you take on this new challenge.



Scan the QR code to sign-up for free financial coaching.

SUPERVISORY COMMITTEE REPORT

JOHN BLOCK III, SUPERVISORY CHAIR

Welcome fellow members to the Annual Meeting of Guadalupe Credit Union (GCU). As the Supervisory Committee, we are responsible for making sure Guadalupe Credit Union's financial records are in order and that internal controls are in place to protect the assets of our credit union and our members. I am glad to report GCU has completed another successful year in safeguarding the credit union. The Committee is thankful for the dedication of GCU management and staff, who carry on to thrive toward the success in keeping GCU's assets safe. We continue to enhance tools to help review processes and procedures by the Compliance and Internal Audit Department to safeguard your money.

We contracted with the Jaramillo Accounting Group to complete the 2022 audit, in accordance with Generally Accepted Auditing Standards (GAAS). GCU earned an unqualified opinion; finding GCU financial information was accurate and complete. Management was responsive to any requests or concerns by the audit team. The Jaramillo Accounting Group is scheduled to perform the 2023 audit.

In addition, the State of New Mexico, Financial Institution Division (FID) conducted its periodic examination of GCU. FID deemed the overall condition of the credit union is strong.

The Risk and Audit Staff continue to recertify and obtain certifications. The VP of Risk and Audit has recertified as a Credit Union Compliance Expert and certified as a Credit Union Enterprise Risk Management Expert. The Internal Audit Manager received her Certified Credit Union Internal Auditor designation and Bank Secrecy Act Compliance Specialist designation. These designations and certifications help in ensuring that internal audits are conducted promptly and with precision.

The Supervisory Committee's commitment is to GCU and you, our members. Through our monthly meetings we oversee the safeguarding of GCU membership assets. We will continue recommending improvements in protecting products and services for you and the communities we serve.

CONSUMER LOAN REPORT

MARIO VEGA, VP OF CONSUMER LENDING



It brings us immense pride to announce that Guadalupe Credit Union has been recognized as one of North America's best credit unions for providing an outstanding member loans experience in 2022. We are honored to have received the Member XP 2022 Best of the Best award. Member XP, a renowned organization, gathers valuable member feedback on service experiences from over 100 of the nation's top credit unions. This award reflects our unwavering dedication to meeting and exceeding your expectations.

In 2022, Guadalupe Credit Union consumer loans increased 14.33% from December 2021. Our lending product that provided the most impact was our Emergency Fast Cash loan which provided relief for those affected by the Calf Canyon/Hermits Peak fires. Thank you to our Lenders and Financial Coaches for all of their hard work and contributions during the 2022 year. All together, they processed 4,402 new loans totaling \$54,522,039.62 with an average loan balance of \$12,385.74.

MORTGAGE LOAN REPORT

BRENDA DOMINGUEZ, VP OF MORTGAGE LENDING

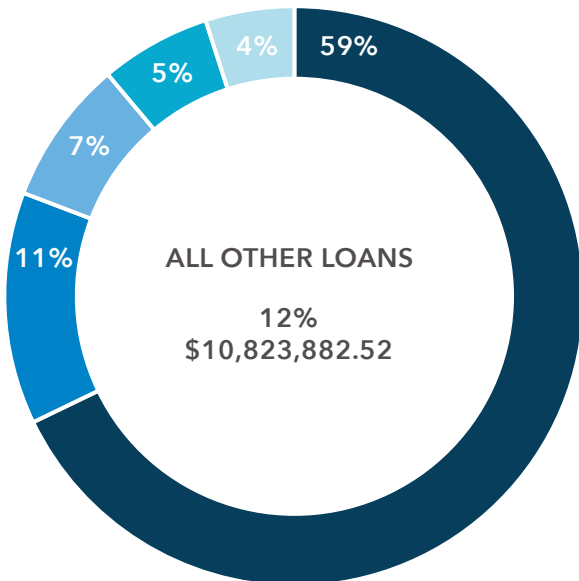
In 2022, Mortgage loans increased by 13.92% from year-end 2021. We originated over \$20.8 million in new mortgage loans. Congratulations to the Mortgage staff on a successful year.



Our Mortgage staff and Financial Coaches continue to work together to help first time homebuyers with education, resources, and services to meet their goals of becoming a homeowner. In addition, we also have many specialized mortgage loan products to ensure an option is available for all borrowers.

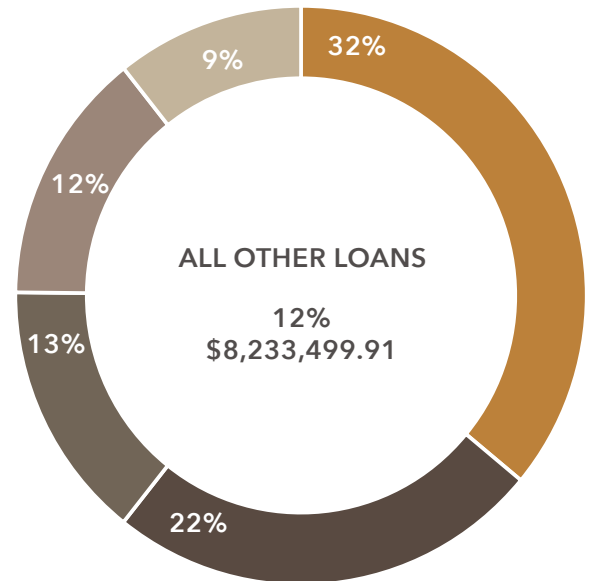
If you are looking to buy a home, land or refinance your current property for home improvements or consolidation contact our mortgage department staff at 505-216-0518; we are committed to helping you find the best option for you and your family.

CONSUMER LOANS



- Used Auto: \$52,197,411.15
- New Auto: \$9,961,832.74
- LOC/Check Guard: \$6,207,514.79
- Manufactured Home: \$4,748,914.63
- Rec Vehicle: \$3,812,129.04

MORTGAGE LOANS



- 1st Mortgage 30 Yr Fixed: \$21,845,013.1
- 1st Mortgage Balloon: \$14,956,649.83
- 1st Mortgage ARM 5/5: \$8,788,202.79
- 1st Mortgage <10 Yr: \$8,595,908.79
- Vacant Land 1st Mortgage: \$6,462,351.99

EMPOWERMENT REPORT

DIANE SANDOVAL-GRIEGO,
CHIEF OF FINANCIAL EMPOWERMENT



It has been another successful year for GCU in promoting financial empowerment in Northern New Mexico. As we celebrate our 75th anniversary, we realize that many of the same issues that affected our families 75 years ago, we are still addressing today. We approach our work with the same intention our founder, Father McCarthy, established – to provide safe and affordable financial services for all our members. **People helping people.**

- Financial coaches facilitated 2,912 sessions, serving 1,372 people working on financial goals and life events. Credit counseling was the number one reason why people sought financial coaching services.
- Calf Canyon and Hermit's Peak Fire, the worst fire in New Mexico state history, affected many of our members. GCU was at the forefront in donation runs, financial coaching at evacuation sites, emergency loans and contacting legislative officials. Our families still need assistance during recovery efforts in replacing property, rebuilding and pending claims. The work is not over and we are prepared to support our members through recovery efforts.
- GCU has been an advocate against predatory lending since our inception and was the primary reason why Father McCarthy established credit unions in Northern New Mexico and Southern Colorado. We are extremely pleased to share that NM House Bill 132 was passed and effective January 2023. This bill limits how much lenders can charge in the state for small dollar loans, which was an APR of 175%. This bill lowered the rate cap to 36%, which will help all New Mexicans avoid debt traps that keep people in borrowing cycles. A big win for New Mexico!
- Our members are experiencing housing challenges due to cost, lack of availability and options in all our communities. Financial coaching teams have been teaching homebuyers workshops in person and virtually, in Spanish and English. We are working to keep more families together with credit counseling, down payment savings and finding programs to help our families reach their goals of homeownership. We are learning what other states are doing to address these concerns and will continue to work toward affordable housing options for all of our counties.
- Community events and involvement are very active, so keep an eye out for us in your area. GCU sponsors many local events and hold many of our own. Coffee and Cars, Del Sur Market Santa Fe, Homebuyers Education classes, Tacos and Rides, Pet Parade, International Credit Union Day, High School Reality Fairs and Music in the Park, are just a few events we offer. Come join us!

I would like to express my gratitude to our members and staff that have contributed to the success of Guadalupe Credit Union over the last 75 years. I am proud to serve a credit union that truly cares for the wellbeing of its community and its members.

OPERATIONS REPORT

TANYA ROMERO,
SVP/COO



I am delighted to present our operational report for the year 2022, highlighting the positive changes that have occurred within our organization. In line with our mission of "Providing financial empowerment within the communities we serve," we remain steadfast in our commitment to enhancing your banking experience, ensuring that your needs are met with utmost efficiency, and empowering you on your financial journey.

We understand that your time is precious, and to provide a more convenient experience, we implemented a call-back service in partnership with our third-party call center. This initiative has significantly reduced on-hold times, allowing you to connect with us more swiftly. To allow for quicker responses to your inquiries and requests, we introduced a streamlined messaging system, enabling direct communication between the call center and our staff. This aims to enhance your overall experience by ensuring prompt attention to your needs.

In our pursuit of excellence, we streamlined processes within our electronic funds and operations departments. This optimization has resulted in a more efficient workflow, ensuring that your financial transactions are handled promptly and accurately.

Our branch employees have dedicated themselves to ongoing training and development initiatives to expand their knowledge and proficiency in their roles. This commitment not only ensures that you receive the highest level of service and expertise, but also reflects our deep-seated belief in fostering a knowledgeable and proficient family to serve your needs.

In closing, we are immensely grateful for your continued trust and support. At Guadalupe Credit Union, we remain committed to our mission, as well as enhancing our services, streamlining processes, and nurturing a knowledgeable and proficient team to better serve you. Your satisfaction and financial well-being remain at the forefront of our mission.

Thank you for being a valued member of Guadalupe Credit Union. We look forward to a **bright future of continued growth and financial empowerment together.**



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www.GuadalupeCU.org

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1101 Don Diego Avenue

ESPAÑOLA

460-G. N. Riverside Drive

TAOS/EL PRADO

1520 Paseo del Pueblo Norte

LAS VEGAS

2504 7th Street

MORA

#508 Street Highway 518