

*Chairman's Report Continued*

The credit union continues to staff three full service branches including a full-time loan officer at each of the locations to offer quick turn around on our loan applications. Many members do not know we offer in house low rate credit cards, first mortgages and HELOC loans.

We will be doing a remodel of our Farmington Branch in 2019 and also celebrate our 10<sup>th</sup> year at that location.

The Board and staff will continue to work to maintain the strength and vitality of this credit union.

I would like to thank my colleagues on the Board for their continued help and support as well as the Credit Union staff and management, our committed volunteers and most of all, our loyal members.

Looking forward to a great 2019.

Sincerely,

*Al Putzig*

Chairman of the Board

Your savings federally insured to at least \$250,000  
and backed by the full faith and credit of the United States Government

**NCUA**

National Credit Union Administration, a U.S. Government Agency

**Branches**

**Cherry Hills Branch**

8111 Harper Rd NE  
Albuquerque, NM 87111

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**North Valley Branch**

7600 4th St NW  
Los Ranchos De Albuquerque, NM 87107

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**Farmington Branch**

111 S. Miller  
Farmington, NM 87401

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Website — [www.sfcunm.org](http://www.sfcunm.org)  
E-mail — [help@sfcunm.org](mailto:help@sfcunm.org)

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**Telephone**

505-243-6751  
1-800-880-7974

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Shared Branching Locations Nationwide

Download our Mobile App Today  
(Southwest FCU, NM)

24 Hour ATM Service  
415 Silver SW  
Albuquerque NM 87102

&

2401 Aztec Rd NE  
Albuquerque, NM 87107

Southwest  
Federal  
Credit Union  
**2018**  
Annual Report



P.O. Box 95410  
Albuquerque, NM 87199

*Your Best Interest is our Business®*  
*(Established since 1935)*

# Chairman's Report

Dear fellow members,

The Board is pleased to report that 2018 was another profitable year for Southwest Federal Credit Union. We exceeded our budget with our profit of \$116,192.00. We grew our loans a net amount of \$2,863,962.00, which was also better than budget. Our past due loan ratio is much less than our peer group which shows our loan quality has remained good even with our growth.

Our number one goal is to continue to ensure your credit union is independent and financially stable. The competition in the Albuquerque market continues to be very intense, especially in the new car market. We have competitive rates for both loans and deposits and offer all the necessary products and services to compete with the large banks and credit unions.

We continue our "Refer-A-Member" program where we pay cash to our members who bring in a new member. This has been a favorite with our members.

We also offer a free credit review to assist members in improving their credit score.

(continued)

## Statement of Financial Condition

December 31, 2017 and December 31, 2018

<b>ASSETS</b>	<b>2017</b>	<b>2018</b>
Cash	2,843,427	951,790
Investments	20,979,596	20,710,789
Net Loans	33,089,502	35,962,124
Accrued Interest	210,653	213,404
Property & Equipment	3,273,014	3,232,215
NCUSIF	547,216	558,601
Other Assets	234,468	397,107
<b>TOTAL ASSETS</b>	<b>\$61,177,876</b>	<b>\$62,026,030</b>
<b>LIABILITIES AND MEMBER EQUITY</b>		
<u>LIABILITIES</u>		
Shares	53,815,201	57,032,184
Accrued-Expenses	2,650,637	226,185
<b>TOTAL LIABILITIES</b>	<b>\$56,465,838</b>	<b>\$57,258,369</b>
<u>MEMBER'S EQUITY</u>		
Reserves	953,124	953,124
Undivided Earnings	3,974,181	4,090,373
Unrealized Gains (Losses)	(215,267)	(275,836)
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>\$61,177,876</b>	<b>\$62,026,030</b>

## Statement of Income & Expense

December 31, 2017 and December 31, 2018

<b>INTEREST INCOME</b>	<b>2017</b>	<b>2018</b>
Loan Income	1,885,983	2,002,021
Investment Income	367,015	459,693
<b>TOTAL INTEREST INCOME</b>	<b>\$2,252,998</b>	<b>\$2,461,714</b>
<b>INTEREST EXPENSE</b>		
Interest on Borrowings	2,086	10,547
Dividends on Shares	191,984	240,613
<b>NET INTEREST INCOME</b>	<b>\$2,058,928</b>	<b>\$2,210,554</b>
Provision for Loan Losses	112,700	47,000
<b>TOTAL NON-INTEREST INCOME</b>	<b>\$806,962</b>	<b>\$793,589</b>
<b>GENERAL &amp; ADMIN. EXPENSES</b>		
Salaries & Benefits	1,368,532	1,437,257
Operations Expense	1,353,980	1,403,694
<b>TOTAL NON-INTEREST EXPENSES</b>	<b>\$2,722,512</b>	<b>\$2,840,951</b>
<b>NET INCOME</b>	<b>\$30,678</b>	<b>\$116,192</b>