



BRANCHING OUT

Annual Report 2023

Gain
Better
Banking®

SUPPORTING OUR *Communities in 2023*

210

Independent
Advantage
Students



Sponsored financial literacy in the classroom with Banzai at Burbank High School and John Burroughs High School.

11

Seminars



Laurie Krattiger and Jasmine Dixon, newly Certified Credit Union Financial Counselors, helped members develop healthy financial habits.

66

Events



Elita Arutyunyan and Julie About interned at Gain and experienced working in a financial institution.

12

Scholarships Awarded –
Totaling \$15,000



In summer 2023, we coordinated a successful opening ceremony for our new branch in the City of San Fernando.

PARTNERS WE SUPPORTED

Burbank Unified School District
Burbank High School
John Burroughs High School
Monterey High School
Burbank Adult School
CTE Days
Back to School
Career Day
Art Day for Roosevelt

City of Burbank
Burbank Youth Program
Sweet Treats at Public Works
and Fire Station
CREST
Starlight Bowl
Health Fair

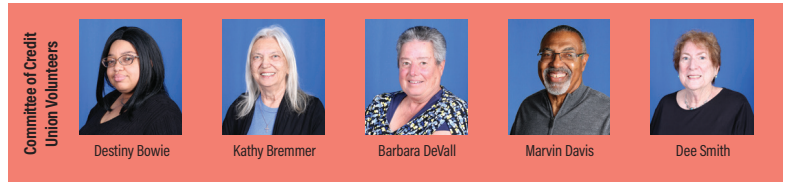
City of San Fernando
Soft Opening
Ribbon Cutting
Outdoor Market
Veterans Day Event
Christmas Tree Lighting

WE SUPPORT

- Boy Scouts of America – Verdugo Hills Council
- Boys & Girls Club of Burbank and Greater East Valley
- Burbank Chamber of Commerce
- Burbank Housing Corporation
- Burbank Temporary Aid Center
- California Creative Arts (CCA)
- Elevate Burbank
- Family Service Agency
- Girl Scouts of America
- Home Again Los Angeles
- Junior Chamber International
- Kids Community Dental Clinic
- Kiwanis of Burbank
- National Charity League
- Spark of Love Christmas Toy Drive
- Valley Cultural Center
- Valley Economic Alliance
- Westminster Presbyterian
- YMCA
- YWCA



OUR Team



Administration & Audit



Asset Recovery



Business Account Representatives



Business Development



Call Center



Consumer Lending



Executive



Finance



Information Technology



Real Estate Lending & Loan Servicing



Marketing



Sales & Service



San Fernando Branch



Support Services

Administration & Audit (Left to Right) Lupe DeCoteau, Katie Foy, Steve Linman, Despina Perera, Cheri Powell; **Asset Recovery (Left to Right)** Carlos Aispuro, Norma Lopez; **Business Account Representatives (Left to Right)** Nicole Gardner, Joseph Rodriguez, Mercedes Espinosa, (not pictured - Aldo Diaz); **Business Development (Left to Right)** Jasmine Dixon, Brock Collins, Laurie Krattiger, Jasmine Jimenez; **Call Center (Left to Right)** Linda Lewis, Demecia Lee, Kathleen Argueta, Christian Meza, Aracely Lupercio, Oscar Diaz; **Consumer Lending (Left to Right)** Cynthia McDonald, Anna Escobar, Louis Velazquez, Mylene Lansang, Robert Lopez, Juanita Reyes, Codie Beck; **Executive (Left to Right)** Ed Plata, Darin Guggenheimer, Maria Obeid, Eric Foster, Brock Collins, Chris Barber, (not pictured - Michelle Griffin); **Finance (Left to Right)** Alan Pan, Yesika Vasquez; **Information Technology (Left to Right)** Jack Modic, Kevin Foy, Jaime Russell, (not pictured - Eric Yang, Michael Cardona); **Real Estate Lending & Loan Servicing (Left to Right)** Cristy Calove, Wendy Ortiz, John Chevalier, Karissa Corona, Yolanda Hawkins; **Marketing (Left to Right)** Rhune Kincaid, Joanna Tomlinson; **Sales & Service (Left to Right)** Edna De Lara, Maria Barajas, Margarita Calderon, Alexander Banuelos, Karina Tenorio, Erin Hakopian, Esmeralda Hernandez, Cassandra Anukam, Shagorika Bhatia, (not pictured - Stephanie Gonzalez); **San Fernando Branch (Left to Right)** Ana Bartlett, Sandy Alatorre, Kimberly Corea; **Support Services (Left to Right)** Virginia Noguera, Beatriz Reyes, Stephen Flores, Lupe Carrillo, Naomi Warren.

CHAIR & PRESIDENT/CEO REPORT

Branching Out in 2023



From opening a new branch in the City of San Fernando to earning higher dividends on savings and other investments, good things happened to good Members in 2023.

On the flip side, with the Federal Reserve continuing to combat rapidly rising inflation by increasing interest rates, not-so-good things happened to good Members in 2023. First, let's talk about the good stuff.

Branching out. Gain believes everyone deserves access to fair and honest banking services. Years ago, we realized that we had an opportunity to provide Better Banking to more individuals and families throughout Southern California.

And as promised, we had our grand opening of our new branch in the City of San Fernando on April 14. Located at 1201 Truman Street, Suite D1, this site provides a convenient, full-service branch in the North Valley. With a safe and secure 24-hour CO-OP® ATM, a no-fee coin counter, dedicated parking spaces, and friendly, knowledgeable staff, the San Fernando branch is ready to help you with your personal banking needs.

Because we value our Members along with our established partnerships in the City of San Fernando, Gain invited the nonprofit DIY Girls to relocate their offices to within a portion of our new facility. Founded in 2011, DIY Girls is a nonprofit based in the Valley that encourages young girls to become interested in science and technology.

We want to thank the Board of Directors at Gain Federal Credit Union for their support and shared belief in increasing the Credit Union's reach of service for our current and future Members.

Savers rewarded. To address the increasing pressures of inflation and reduce the risk of slipping into recession, the Federal Reserve continued its campaign of raising interest rates. This actually began in 2022, but the consequences were especially felt in 2023. This effort to tighten the money supply created a higher dividend rate environment, and

Members who are savers were pleased with receiving some of the best dividend rates in over a decade.

Sounds great, right? Well, now the flip side.

Borrowers penalized. Higher interest rates may help control soaring prices, but they also increase the cost of borrowing money for auto loans, personal loans, credit cards, and home loans. Along with increasing consumer prices, members experienced the additional "sticker shock" of higher rates, which mean higher monthly payments. That's not so good for your personal economy. However, in an effort to help you balance your budget, many of our rates are the lowest in the area.

Why did rates change so much? Navigating the effects of a higher interest rate environment involves a wide-ranging understanding of how these rates influence various aspects of the Credit Union's operations. Policies and strategies such as optimizing our loan and investment mix, managing interest rate risk, controlling operating expenses, and effectively pricing products and services for our Members are all part of how we manage and maintain our Members' money.

Our policies are written to serve the best interests of all Members combined. This balancing act may delight some while disappointing others, which is why we are always listening to you.

Member feedback. We truly appreciate hearing from the Membership. Whether it's sending us a message via GainFCU.com, replying to a Member satisfaction survey, or commenting on one of the various online review sites, your remarks and responses provide much-needed feedback as we continuously refine the service we call Better Banking. We do our best to be aware of our Members' financial needs and, based on the high satisfaction levels you have awarded us, we appear to be on a good path.

Advancing forward. Our economy will always fluctuate, but Gain's commitment to providing Better Banking services continues no matter the

environment. For the coming year, we will offer educational seminars on reducing taxes, preparing for retirement, what to expect in an election year, and so much more.

Gain is also fully committed to the one and only Independent Advantage. This program is designed specifically for teens and provides a series of financial literacy classes throughout the year. We had another exceptional year of sharing our financial knowledge with over 200 students who attended one of our eight, four-week sessions.

Currently, the award-winning *The Better Banking Podcast* is halfway through its third season of filling the airwaves with Better Banking tips and techniques. You won't want to miss an episode, so you'd Better subscribe today!

As a local, trusted, and neighborly financial institution, we are also committed to protecting your personal information and your money from fraud, scams, and swindlers. We continually monitor the technical safeguards we have in place and train our staff to be personable and aware of your banking habits to avoid fraudulent transactions. The bad guys don't take a day off, and neither do we.

As you read through the information in this report, please take note of the many community partners we work with in support of their organizations.

On behalf of the Board of Directors, Supervisory Committee, the Committee of Credit Union Volunteers (CCUVs), and staff, please accept our gratitude for your continued trust in Gain Federal Credit Union.

For over eight decades, the support from our Membership has been the main reason why we continue to branch out to provide you with Better Banking.

Jess Talamantes
Board of Directors Chair

Darin Guggenheimer
President/CEO

FINANCIAL STATEMENT

ASSETS	Audited December 31, 2023	Audited December 31, 2022	Change
Loans	\$266,508,732	\$278,302,288	\$(11,793,556)
Investments	147,428,063	146,358,590	1,069,473
Other Assets	25,873,804	30,438,375	(4,564,571)
TOTAL ASSETS	439,810,599	455,099,253	(15,288,654)
LIABILITIES			
Notes Payable	5,000,000	-	5,000,000
Other Liabilities	2,940,918	3,722,856	(781,938)
Member Deposits	413,666,540	434,313,176	(20,646,636)
Reserves & Retained Earnings	18,203,141	17,063,221	1,139,920
TOTAL LIABILITIES & EQUITY	439,810,599	455,099,253	(15,288,654)
INCOME & EXPENSES			
Gross Income	19,168,937	16,439,522	2,729,416
Expenses	(13,430,938)	(12,824,793)	(606,145)
Provision for Loan Loss	(150,000)	900,000	(1,050,000)
NCUSIF Impairment & Corp CU Recap.	-	-	-
Dividends to Members	(3,531,339)	(1,095,599)	(2,435,740)
Interest on Borrowed Funds	(200,518)	(217)	(200,301)
NET TO RESERVES & RETAINED EARNINGS	\$1,856,142	\$3,418,913	\$(1,562,771)
Members	20,721	20,931	(210)

TREASURER'S REPORT

To the left is the condensed 2023 financial report of Gain Federal Credit Union.



Some of the key points of our financial statements include the decrease in total assets for 2023 of \$15.2 million, a 3.4% decline over 2022. Total loans outstanding to Members decreased \$11 million, a 4.2% decrease over 2022. Membership deposits fell at a rate of 4.8%, or \$20.6 million, over 2022. This decline has been helpful in managing the rapid growth experienced in 2020 and 2021. Throughout 2023, we funded \$30.9 million in new loans for our Members.

Peggy Peters, Board of Directors Treasurer

SUPERVISORY COMMITTEE REPORT



In accordance with the Federal Credit Union Act, the Supervisory Committee is appointed by your Board of Directors and is given the responsibility of determining that the operations of the Credit Union are carried out in accordance with the Act and the regulations of the National Credit Union Administration.

We are assigned the responsibility of determining that your Credit Union is operating in a safe and prudent manner, and in the best interest of the Membership. To fulfill our responsibilities, we engaged the services of Carroll & Associates LLP CPAs to conduct the annual audit of the Credit Union.

We are pleased to report that Gain Federal Credit Union continues to maintain the adequate levels of financial safety and soundness while continuing to provide quality member service.

As your Supervisory Committee Chair, I would like to thank Committee members Julianne Venturo, Justin Robertson, Paula Ohan, and Brianna Krejsa for their commitment and outstanding service.

I speak on behalf of all Committee members when I say that we are proud to volunteer our time and serve the Members of Gain Federal Credit Union.

Darrin Borders, Supervisory Committee Chair

STATEMENT OF BELIEF

Gain is a progressive financial institution that believes everyone deserves access to fair and honest banking services. We are the trusted neighborhood partner that supports the financial health and well-being of our Members.



© Gain Federal Credit Union

Burbank Branch: 1800 West Magnolia Boulevard, Burbank, California 91506

San Fernando Branch: 1201 Truman Street, Suite D1, San Fernando, California 91340

