We understand...

your dream to be the boss.
Board Members

Mark Sanchez  
Board Chair

Dan Mayfield  
First Vice Chair

Dianne M. Brown  
Second Vice Chair

Ron B. Maestas  
Secretary/Treasurer

Cynthia Borrego  
Director

Lucy Sedillo  
Director

Irene Serna  
Director

Supervisory Committee

Patricia French  
Chair

Susan Biernacki  
Member

Lisa Wilson  
Member

Leadership

Mike Athens  
President/CEO

Roy Stange  
Chief Financial Officer

Paige Akers  
VP – Risk Management

April Bradshaw  
VP – Operations

Jeff Cain  
VP – Marketing

Lily Currin  
VP – Human Resources

Erin Gomez  
VP – Specialty Services

Tia Sabawi  
VP – Lending
We understand...

your dream to feel financially secure.
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We understand...
your dream of home ownership.
MESSAGE FROM THE BOARD CHAIR

For 68 years, “people over profits” has been one of the principles under which Rio Grande Credit Union has operated. This is the basis for decisions that the Board of Directors makes on behalf of our member-owners, especially during difficult times like we’ve experienced the past two years.

I am pleased to report that we have been able to ensure prudent oversight, while exercising our due diligence in monitoring all areas of RGCU’s business. When the pandemic started, the Board of Directors made a promise that we would get through this together and we’ve done a good job of it. Your Directors have continued their education development through online Credit Union courses, webinars and conferences to develop individually in areas that strengthen our Board as a whole. And we thank our staff for their efforts and adaptability as the pandemic changed how we do business.

We are happy to report that Rio Grande Credit Union finished 2021 well capitalized with over $531 million in assets and healthy growth.

The Board of Directors remains committed to keeping the assets of our members and the Credit Union safe and secure. In addition, our priority is to ensure the Credit Union continues to provide superior service to our members while maintaining the health and safety of everyone. Our hope is that you continue to find value in Rio Grande Credit Union and look to us to serve all your financial needs.

On behalf of the entire Board of Directors and Supervisory Committee, I thank each of you for your continued membership during these trying times. Please continue to share the benefits of Credit Union membership with your family, friends, and neighbors.

Sincerely,

MARK SANCHEZ
Chair, Board of Directors

“Our hope is that you continue to find value in Rio Grande Credit Union and look to us to serve all your financial needs.”
– MARK SANCHEZ
MESSAGE FROM THE PRESIDENT/CEO

“People helping people” is the heart of the credit union movement. It’s also what inspires Rio Grande Credit Union to look beyond today and plan for the future. Though last year was the second year of a worldwide pandemic, 2021 was a year defined by growth and possibilities.

We began the year setting forth to accomplish the goals of year two of our Strategic Plan, focusing on four main goals that ultimately lead to enhancing the member experience, improving our financial position, helping build a better community, and creating opportunities for future growth. With the support of our members, Board of Directors, Supervisory Committee, and staff, we made great strides in each of those areas.

GOAL 1: IMPROVE THE MEMBER EXPERIENCE
As a not-for-profit financial cooperative, we work to put our members at the core of every decision we make. This past year, we invested in new technologies in our drive-up lanes, Interactive Teller Machines (ITMs), to give members more transactional options. We enhanced our reward program to offer our members faster ways to accumulate points and more ways to redeem them. We made significant upgrades to our mobile application, including adding a person-to-person feature and the ability for members to monitor their FICO score on a quarterly basis. We began a renewed emphasis on infrastructure, started a branch facelift project, and continued work to update legacy software systems, giving our employees easier ways to serve our members better. The credit union launched Online Lending, Account Opening and Online Mortgage Applications to offer members a more convenient way to do business with RGCU. And we rolled out Apple Pay, Samsung Pay and Google Pay to offer members more convenient ways to pay for everyday things while still earning rewards.

In today’s advancing world, these technology and infrastructure changes are quickly becoming ‘foundational’ improvements and pave the way for future innovations, as we plan to evolve our in-branch and member support capabilities – all of which lead to a constantly improving and evolving member banking experience.

GOAL 2: IMPROVE OUR FINANCIAL POSITION
Last year, total assets grew over $90 million, or 20.57%, bringing RGCU’s total assets to $531 million.

At 40.43% loan growth, Rio Grande is in the top 10% of its peer group, as more members are choosing the credit union for their lending needs.

Rio Grande also enjoyed above average share growth relative to its peer group. Our growth of 17.22% reflects quality accounts that meets the needs of our membership, a solid rewards program, attractive rates on deposits, and a growing membership base.

Rio Grande Credit Union’s financial performance continues to be nationally recognized. Bauer Financial again awarded us with a 5-star rating, the highest available. Weiss Rating Service, an independent firm that provides non-biased reports on the health and safety of financial organizations, cites RGCU has excellent current capitalization (10.0 on a scale of 0 to 10) based on a net worth to total assets of 11.2%,
compared to our peer group at 10.15%. We are proud to be a strong financial institution supporting our members’ needs while keeping the credit union safe.

GOAL 3: HELPING BUILD A BETTER COMMUNITY

We continued to see an increased need for financial education resources in 2021. By providing educational offerings through one-on-one financial coaching sessions, webinars, gamified educational resources through the Zogo app and blog articles, Rio Grande was able to provide meaningful resources and a more tailored approach to thousands of members looking to better their financial position.

In 2021, our one-on-one financial coaching program benefited over 450 members. Furthermore, RGCU delivered financial education curriculum to a variety of community organizations and Select Employee Groups. We also conducted online webinars on a variety of topics throughout the year. Through this personalized approach to educational offerings and service, we estimate we helped more than 4,000 RGCU members and community members improve their financial situation.

However, our commitment to improving lives and making dreams come true doesn’t stop there. In 2021, Rio Grande supported many local organizations and initiatives through our community support program - which seeks to go beyond providing a check through the integration of active volunteerism, and when possible, provide financial education resources. I am pleased to say our employees volunteered more than 500 hours in 2021, further demonstrating our commitment to the communities we serve.

GOAL 4: CREATE OPPORTUNITIES FOR FUTURE GROWTH

RGCU finished the year with 39,876 members, a 12.25% increase over 2020. Our peer group recognized 3.81% growth, putting Rio Grande in the top 10% for member growth.

When surveyed, 88.9% of our members are satisfied, highly satisfied, or extremely satisfied with RGCU. Readers of Albuquerque the Magazine voted Rio Grande Credit Union Best of the City. And RGCU received a platinum level New Mexico Family Friendly Business Award for its family friendly work environment and policies.

A membership that likes doing business with the credit union, coupled with an engaged and respected staff, are the foundation for future growth. RGCU is dedicated to continuing to improve processes to make it easier for our community to do business with us.

I thank our members for their continued loyalty to the credit union. We know you have many choices when it comes to your finances, and we’re grateful for your continued trust. I thank our employees for their resiliency and determination to serve our members, despite the challenges the past two years have presented. And I thank our volunteer Board of Directors and Supervisory Committee for their guidance and dedication to this organization. It continues to be my honor to serve as your President/CEO. I look forward to yet another year together where we will continue to deliver on our commitment of making our member’s financial dreams come true.

Sincerely,
MIKE ATHENS
President/CEO
We understand...

money doesn’t come with instructions.
Message from the Supervisory Committee

Rio Grande Credit Union’s volunteer Supervisory Committee oversees ongoing credit union audits to ensure that internal controls are in place and followed. The audits also ensure that accounting records and reports accurately reflect the credit union’s financial position and operations, thus protecting our members’ assets.

The Supervisory Committee reviewed the December 31, 2021 annual external audit with Jaramillo Accounting Group, the independent firm conducting the audit. Rio Grande Credit Union received an “unqualified” opinion, the highest opinion possible. There were no material findings or weaknesses found during the audit. The results of the audit were favorable and determined Rio Grande Credit Union to be safe and sound in policy and practice. The audit, conducted in accordance with Generally Accepted Accounting Principles (GAAP), indicated that RGCU remains strong and financially stable.

Additionally, the Supervisory Committee prepared a 2021 Risk Assessment and Internal Audit Plan with the assistance of Carr Riggs & Ingram CPAs and Advisors (CRI), outside auditors the Committee engaged to provide internal audit services. We commissioned, reviewed and approved the following internal audits and related matters:

**Bank Secrecy Act**
- Policies and Procedures
- Identity Theft Protection
- Model Data Validation
- Monetary Instruments

**Deposit Compliance**
- Regulation D
- Employee Training
- Regulations CC
- Regulation E

**Wire Transfers**
- Policies and Procedures

continued on pg 13
But mostly, we understand... the importance of having someone in your corner... and that’s why we’re here.
continued from pg 11

**Loan Compliance**
- Policies and Procedures
- Denied Loans
- Vendor Management

**Loan Operations**
- Policies and Procedures
- Loan Account Reconciliations
- New Loans
- Allowance for Loan Loss

**Asset Liability Management, Interest Rate Risk, Liquidity Risk and Investments**
- Liquidity Risk Management
- Liquidity Risk Board and Committee Governance
- Policies

**Branch Operations**
- Reconciliations
- New Deposit Accounts
- Safe Deposit Boxes
- Night Deposits
- Official Checks
- File Maintenance
- Stop Payments

**Cash**
- Cash Counts of all Teller Drawers
- Reconciliations

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**OTHER AUDITS**

In addition to the above audits, the Supervisory Committee reviewed and approved the ACH Compliance Audit Report and ACH Risk Assessment prepared by ePay Advisors, a trusted financial partner providing payments related risk management and compliance services to Rio Grande Credit Union.

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**EDUCATION**

The Supervisory Committee virtually attended Sexual Harassment training as well as Bank Secrecy Act training.

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**ELECTION PROCESS/SELECTION COMMITTEE**

The Supervisory Committee also acts as the Selection Committee for the election process and for any board vacancies. The Selection Committee oversaw the 2021 election process.

Sincerely,

**PATTY FRENCH**
Supervisory Committee Chair
## RGCU 2021 Financials

### Income Statement

<table>
<thead>
<tr>
<th></th>
<th>2021</th>
<th>2020</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Interest Income</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest on Loans</td>
<td>17,438,763</td>
<td>15,754,925</td>
<td>16,080,734</td>
</tr>
<tr>
<td>Interest on Investments</td>
<td>1,816,209</td>
<td>1,377,501</td>
<td>1,331,907</td>
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<tr>
<td>Fee Income</td>
<td>11,423,319</td>
<td>7,641,621</td>
<td>7,499,758</td>
</tr>
<tr>
<td><strong>Total Income</strong></td>
<td>30,678,291</td>
<td>24,774,046</td>
<td>24,862,399</td>
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</table>

<table>
<thead>
<tr>
<th></th>
<th>2021</th>
<th>2020</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Operating Expenses</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employee Compensation/Benefits</td>
<td>9,983,232</td>
<td>8,813,210</td>
<td>7,427,482</td>
</tr>
<tr>
<td>Office Operations/Occupancy</td>
<td>7,766,685</td>
<td>6,310,499</td>
<td>4,877,356</td>
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<tr>
<td>Conference and Promotions</td>
<td>1,236,380</td>
<td>682,286</td>
<td>860,225</td>
</tr>
<tr>
<td>Provisions for Loan Losses</td>
<td>2,645,725</td>
<td>2,761,200</td>
<td>2,705,500</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>2,717,119</td>
<td>2,038,444</td>
<td>2,024,494</td>
</tr>
<tr>
<td><strong>Total Operating Expenses</strong></td>
<td>24,349,141</td>
<td>20,605,639</td>
<td>17,895,057</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2021</th>
<th>2020</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Dividend Expense</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dividends Paid to Members</td>
<td>3,009,086</td>
<td>3,211,520</td>
<td>2,475,597</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2021</th>
<th>2020</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Assessment/Gain (Loss)</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gain (Loss) on Investments/Disposition of Assets</td>
<td>111,398</td>
<td>(20,423)</td>
<td>(45,490)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2021</th>
<th>2020</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net Income</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Reserves and Undivided Earnings</td>
<td>3,431,462</td>
<td>936,465</td>
<td>4,446,256</td>
</tr>
</tbody>
</table>
## 2021 Financials

### Balance Sheet

<table>
<thead>
<tr>
<th>ASSETS</th>
<th>2021</th>
<th>2020</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loans to Members - Net of Allowance for Loan Losses</td>
<td>361,658,200</td>
<td>257,889,057</td>
<td>256,652,738</td>
</tr>
<tr>
<td>Cash</td>
<td>4,917,825</td>
<td>2,949,150</td>
<td>2,476,864</td>
</tr>
<tr>
<td>Investments</td>
<td>137,524,566</td>
<td>152,993,671</td>
<td>68,645,682</td>
</tr>
<tr>
<td>Accrued Interest Receivable</td>
<td>3,877,962</td>
<td>3,649,638</td>
<td>1,015,553</td>
</tr>
<tr>
<td>Fixed Assets</td>
<td>18,492,259</td>
<td>18,798,365</td>
<td>12,210,383</td>
</tr>
<tr>
<td>NCUSIF Deposit</td>
<td>3,872,879</td>
<td>3,163,562</td>
<td>2,632,227</td>
</tr>
<tr>
<td>Other Assets</td>
<td>697,049</td>
<td>997,338</td>
<td>1,148,388</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td><strong>531,040,740</strong></td>
<td><strong>440,440,782</strong></td>
<td><strong>344,781,835</strong></td>
</tr>
</tbody>
</table>

### Liability and Equity

<table>
<thead>
<tr>
<th></th>
<th>2021</th>
<th>2020</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Member Shares</td>
<td>446,617,771</td>
<td>380,995,655</td>
<td>287,507,628</td>
</tr>
<tr>
<td>Accrued and Other Liabilities</td>
<td>26,712,851</td>
<td>2,300,340</td>
<td>1,793,309</td>
</tr>
<tr>
<td>Reserves and Undivided Earnings</td>
<td>57,710,118</td>
<td>57,144,787</td>
<td>55,480,898</td>
</tr>
<tr>
<td><strong>Total Liabilities &amp; Equity</strong></td>
<td><strong>531,040,740</strong></td>
<td><strong>440,440,782</strong></td>
<td><strong>344,781,835</strong></td>
</tr>
</tbody>
</table>

### Total Members

- 39,876 in 2021
- 35,524 in 2020
- 34,601 in 2019
Our **Mission**

is to create a trusted partnership with our members that demonstrates excellent member service by providing financial education and solutions, competitive pricing, and convenience.