



2 0 2 4   A N N U A L   R E P O R T

# 88<sup>th</sup> ANNUAL MEETING

**WebEx**  
**April 9th, 2025**

## **AGENDA**

1. **Determination of a Quorum**  
Ms. Ginger Raya, Chair
2. **Minutes of Annual Meeting – April 10th, 2024**  
Ms. Ginger Raya, Chair
3. **Report from the Board of Directors**  
Ms. Ginger Raya, Chair
4. **Report from the Executive Vice President**  
Mr. Randy Glover, EVP
5. **Report from the Supervisory Committee**  
Mr. Rolyne Kafka, Chair
6. **New Business**  
Ms. Ginger Raya, Chair
7. **Election Report**  
Ms. Ginger Raya, Chair
8. **Adjournment**

## **Board of Directors**

Dr. Ginger Raya – Chair  
Fatuma Ereng – 1st Vice Chair  
Dr. Angelica Martinez – 2nd Vice Chair  
Belen Vigil – Secretary/Treasurer  
Linda Gonzalez-Hensgen  
Jim Brackenbury  
Matthew Behrens  
Lilia Worrell  
Linda Imai-Dixon

## **Supervisory Committee**

Rolyne Kafka – Chair  
Melodya Salaices  
Richard Morales

## **Executive Staff**

Ken Walters – President/CEO  
Randy Glover – Executive Vice President  
Art Juarez – Chief Financial Officer  
Ismael Mendiola – Chief Operations Officer  
Luis Terrazas – VP of Compliance  
Gabriel Munoz – VP of HR  
Elisa Terrazas-Arce – VP of Marketing  
Adam Lozoya – VP of Lending  
Isabel Meza – VP of Mortgage Lending  
Patrick Lujan – VP of I.S.  
Perla Lopez– AVP of Finance  
Iban Torres – AVP of Operations  
Josue Ornelas – AVP of Marketing  
Thomas Teeter– AVP of I.S.

# MESSAGE

## TO OUR MEMBERS

Our outlook at the beginning of 2024 was that it would be a difficult year. Financial institutions continued to face difficulties resulting from Federal Reserve interest rate increases. Even with these difficulties, evolve FCU continued to provide our membership with great rates on both the share and loan side. The net worth for evolve FCU remains very strong even though the year was difficult from a net income perspective.

While we did see a slight decrease with inflation numbers during the year. The Federal Reserve have kept interest rates stagnant during most of 2024. Due to the interest rate environment the Credit Union saw cost of funds increase and demand for new loans drop. The result is a tightening in our margins which makes net interest income difficult to obtain. Due to the squeeze with our margins evolve Credit Union ended the year with a net loss. Even with a net loss for the year, we were able to manage our balance sheet and increase our net worth to 11.30%. We are hopeful for some rate decreases in 2025 but this may not come to pass, which means net income again be difficult to come by in 2025 as our balance sheet continues to reprice. The good news is we are well positioned to withstand these issues and get past 2025. In spite of the economic issues, we did have some accomplishments in 2024. We opened our Las Cruces location and will work on expanding our membership in that area. We will continue to offer and promote our e-priority checking account paying 7% interest. We are now offering a Collegiate Checking account and have developed a special Healthcare Membership level for members who work in healthcare. We are focusing on developing new members and positioning the Credit Union for future growth.

We thank you for your continued support.

**Ginger Raya,**  
Chair Board of Directors

**Ken Walters,**  
President/CEO



*"I would like to thank our members for their continued loyalty as that is the key to our success."*

**Ken Walters,**  
President/CEO

# STATEMENT OF FINANCIAL CONDITION

Periods Ending December 31, 2024 and 2023

2024

2023

## ASSETS

Cash and cash equivalents	\$7,026,328	\$11,851,018
Investments	42,355,304	47,675,804
Loans to members, net of allowance for loan losses	215,687,033	223,292,327
Property and equipment net	15,405,403	14,452,542
NCUSIF deposit	2,878,029	3,168,848
Other Assets	35,745,260	33,879,222
Total Assets	\$319,097,358	\$334,319,761

## LIABILITIES and MEMBERS' EQUITY

Liabilities:		
Accrued dividends payable	439,953	410,582
Accrued expenses and other liabilities	9,265,077	9,768,653
Members Liability	282,097,579	298,745,643
Total Liabilities	291,802,609	308,924,878
Members' Equity:		
Regular Reserves	3,644,493	3,644,493
Undivided Earnings	23,650,256	21,750,391
Total members equity	27,294,749	25,394,884
Total Liabilities and Members' Equity	\$319,097,358	\$334,319,761

## STATEMENT OF INCOME & EXPENSE

Periods Ending December 31, 2024 and 2023

2024

2023

INTEREST INCOME		
Interest on loans	\$10,466,471	\$9,174,688
Income on investments	1,457,593	1,735,933
Total Interest Income	11,924,064	10,910,621
INTEREST EXPENSE		
Dividends on Members Share	3,318,861	2,733,641
Dividends on Non Member Shares	553,699	579,504
Interest on borrowed money	4,373	18,491
Total Interest Expense	3,876,932	3,331,636
Net Interest Income	8,047,132	7,578,985
PROVISION FOR LOAN & Share LOSSES (PLL)	655,946	302,933
Net Interest Income after PLL	7,391,186	7,276,053
NON-INTEREST INCOME		
Fees and Other Operating Income	3,611,050	3,975,369
Other non-interest income	789,223	-39,362
Total Non-Interest Income	4,400,273	3,936,008
NON-INTEREST EXPENSES		
Compensation & Benefits	5,625,549	5,573,369
Office Occupancy Expense	913,924	959,257
Office Operation Expense	3,127,353	2,983,199
Professional & Outside Services	575,750	600,707
Miscellaneous	2,081,109	1,520,787
Total Non-Interest Expense	12,323,686	11,637,320
Income From Operations	(\$532,226)	(\$425,260)
Net Income	-\$532,226	-\$425,260