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ANNUAL REPORT

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*Live
Confident.*





Live
Confident.



Our Brand is *The Why.*

Why we do what we do each day to make sure our members know it's not about banking, it's about belonging.



Our Culture is *The How.*

How we engage each day, with our members and with each other, to build relationships and add value with every interaction.

MISSION

Be a trusted partner that provides 'anytime and anywhere' financial education and services to our members, at each stage of their lives, to achieve financial success.

VISION

Expanding our reach as a dynamic enterprise that supports and enhances the financial security of our members so they can live confident.

Our Core Values



COMMUNITY

We promote meaningful connections with our members and employees - our family - for the purpose of strengthening and celebrating our communities. We are socially responsible and committed to giving back to our neighbors.



TRUST

With integrity at our core we provide consistent, responsible and honorable service to each member and employee. We help members live confident by continuing our solid history of providing safe and secure financial solutions.



INNOVATION

We are committed to exploring, expanding and investing in innovative technologies, products and services to ensure our members and employees are strongly positioned for future growth and success.



DIVERSITY

We see, hear and value each member and employee while creating a culture that reflects and supports the diversity of our communities. We value our family's unique talents, perspectives and initiatives.



EXCELLENCE

All of us, working together, are committed to exceeding expectations through sincere effort and handcrafted solutions.



Letter To Our Members

From the Board Chair and President/CEO

Secure. Strong. Safe. For well over six decades these words have described Kirtland Credit Union. 2024 was a challenging year for our industry and for us. However, we're proud to say those same words continue to describe us today. Thank you for being a valued member and for your unwavering commitment to our not-for-profit financial cooperative.

During 2024, we saw ongoing economic strain at the state and national level. Even as inflationary pressures slowly began to ease, many members faced continued pressure as they worked to balance their financial health with the need to fulfill life's requirements like buying cars and homes. The industry saw loan delinquency rise for the first time in several years, reflecting the challenges many experienced in their ability to afford life. The credit union felt this impact on our net income. In spite of the challenging economic environment, the credit union stayed focused on supporting our members, employees and communities – especially important during a climate of uncertainty. Despite this impact, we fully expect a return to profitability in the coming year.

With strong liquidity and a capital ratio among the highest in the state of New Mexico, our solid foundation enables us to embrace our mission of enhancing the financial security of our members at each

stage of their lives. In 2024, our Kirtland Financial Services (KFS) team was nationally recognized again as #1 in the small firm category (with over 1,900 firms) during the Kehrer Group's 2024 awards conference. This is great recognition of both our members' trust in us and our dedication to serving you.

We also understand that value is measured beyond dollars and cents. Peace of mind and continual service improvement were top of mind as we strengthened our infrastructure and embarked upon a digital transformation journey to ensure we deliver solutions with real world value, beyond just good products and services. It's important to continue our investment in enhancing member service to meet your needs where, how, and when you need us. We also joined the real-time payments system to provide our members with expanded options to access their funds immediately. Stay tuned for additional information on our digital evolution, and more, as we move into 2025.

We would like to express our deepest gratitude to our retiring board member Ms. Cheryl Frost. For 12 years, Ms. Frost volunteered her outstanding brand of leadership, most recently serving as Board Secretary. Kirtland Credit Union benefitted mightily from her expertise and guidance, which was always devoted to representing

your best interests. We would also like to welcome and congratulate Ms. Sharon McMahan who has been appointed to fulfill Ms. Frost's open board position. Ms. McMahan has served on the Kirtland Credit Union Supervisory Committee for the past 3 years and brings extensive business expertise and credit union knowledge to the board.

Lastly, we extend a heartfelt thank you to our dedicated members, employees, volunteers and the communities we serve for your dedication and commitment to Kirtland Credit Union. Our strength comes from within, and we look forward to greeting 2025 with our ongoing commitment to each of our 52,000+ members.

Very Respectfully,



Matt Nixon
Chair
Board of Directors



Matt Rarden
President and Chief
Executive Officer

Board of Directors



MARK NEICE
Vice Chair



CHERYL FROST
Secretary



LYN KIRKWOOD
Treasurer



BRIAN MCDONALD
Director



KIM FITZGERALD
Director



TERRY FRANKS
Director

The Supervisory Committee's 2025 Annual Report

The Kirtland Credit Union (KCU) Supervisory Committee ensures that financial statements are accurate and that internal controls are effective, safeguarding the Kirtland Credit Union member assets. Additionally, the Supervisory Committee oversees resolving member complaints concerning Kirtland Credit Union procedures and services. We provide an independent review and ensure complaint resolution. Your five-member committee—all Credit Union volunteers—reports these issues monthly to the Board of Directors and the senior management team concerning these issues.

The KCU Supervisory Committee's primary responsibility is overseeing financial operations to ensure asset protection. The Committee employs the Certified Public Accountant firm of Moss Adams, LLP, to conduct internal audits and ensure that processes protect member accounts. Another CPA firm, FORVIS, conducts an independent annual audit of Kirtland Credit Union's financial statements.

The Supervisory Committee provides audit findings and recommendations to the Board of Directors and senior management for corrective action. We are pleased to report that Kirtland Credit Union's financial assets are properly safeguarded, and the reports accurately represent its financial position, all based on internal and external audit results.

I want to take this opportunity to thank Ms. Sharon McMahan for her three great years of service with the KCU Supervisory Committee. We are sad to see her leave. But we know she will be of great service to the KCU Board of Directors. I would also like to introduce Mr. Glenn Walters and Mr. Daren Ruiz, both having volunteered their time as members of the Supervisory Committee in support of the Kirtland Credit Union members.

- Arthur Gottlieb, Chair
- Lugene Frazier, Member
- Glenn Walters, Member
- Daren Ruiz, Member
- Sharon McMahan, Member



The newest Kirtland Credit Union branch will be located at 4023 Ranger Road SE, Albuquerque, NM 87116, within MaxQ, a new commercial development at Gibson and Girard SE.

Statement of Operations

December 31, 2024 and 2023

INTEREST INCOME	2024	2023
Interest on Loans	43,590,892	38,890,703
Interest on Investments	15,663,913	15,239,372
Total Interest Income	59,254,805	54,130,075
INTEREST EXPENSE		
Dividends on Members' Share and Savings Accounts	16,816,057	10,229,336
Interest on Borrowed Funds	11,483,701	16,124,702
Total Interest Expense	28,299,758	26,354,039
Net Interest Income	30,955,047	27,776,036
PROVISION FOR LOAN LOSSES	11,972,857	3,328,753
Net Interest Income after Provision for Loan Losses	18,982,189	24,447,283
NON-INTEREST INCOME		
Fees and Charges	2,014,774	1,853,202
Other Non-Interest Income	5,800,792	5,473,041
Total Non-Interest Income	7,815,566	7,326,243
Total Income	26,797,755	31,773,526
NON-INTEREST EXPENSE		
Compensation and Benefits	16,996,189	16,621,651
Occupancy	1,391,135	1,537,122
Operations	9,702,793	8,664,578
Professional and Outside Services	2,513,640	2,273,555
Other Expense	478,632	534,724
Total Non-Interest Expense	31,082,388	29,631,631
Total Non-Operating Gains (Losses)	\$76,120	2,770,069
NET INCOME		
Net Income	(4,208,513)	4,911,964

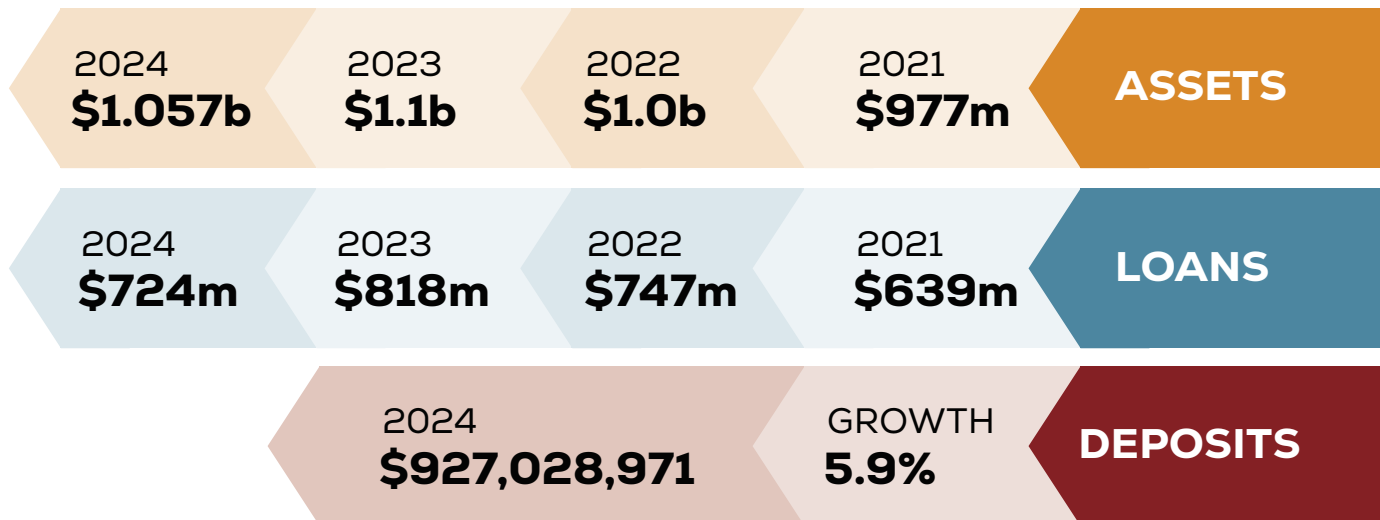
TOTAL MEMBERS

52,031

Statement of Financial Condition

December 31, 2024 and 2023

ASSETS	2024	2023
Loans to Members, Net of Allowance for Loan Loss	719,493,462	810,954,692
Cash and Cash Equivalents	105,653,504	34,852,410
Investment Securities	203,585,226	221,217,990
Accrued Interest Receivable	3,265,321	3,349,717
Premises and Equipment	7,678,048	8,609,789
NCUSIF Deposit	8,514,850	8,367,666
Other Assets	9,298,165	6,692,220
Total Assets	1,057,488,576	1,094,044,484
LIABILITIES AND MEMBERS' EQUITY		
Liabilities		
Members' Share and Savings Accounts	927,028,971	873,513,125
Accrued Interest Payable	1,528,703	1,118,648
FHLB Borrowing	0	0
FRB Borrowing	0	84,923,000
Accrued Expenses and Other Liabilities	9,721,702	16,787,151
Total Liabilities	938,279,376	976,341,924
Members' Equity		
Regular Reserve	7,713,660	7,713,660
Undivided Earnings	111,495,540	109,988,890
Total Members' Equity	119,209,200	117,702,559
Total Liabilities and Members' Equity	1,057,488,576	1,094,044,484





Kirtland *in the Community*



KRQE Cares Shoes for Kids

Kirtland Credit Union remains committed to our partnership with KRQE Cares, fitting and distributing new pairs of shoes for kids in need. It's always an exceptional event, and we're humbled to be an active participant.



Kirtland Credit Union Scholarship Award Winner Ceremonies

Cheers to our amazing scholarship recipients: Duc Pham, LaNiah Bolden, Huy Nguyen, and Tamia Nez! Each winner received a \$2,500 scholarship to further their education.



Show & Tell Event at Kirtland Air Force Base

Financial empowerment is a priority at your credit union. During this event, we met with Albuquerque Public Schools counselors to discuss the benefits of MoneyEdu.org, our financial education platform.



Greater Valencia Chamber of Commerce Annual Installation Gala

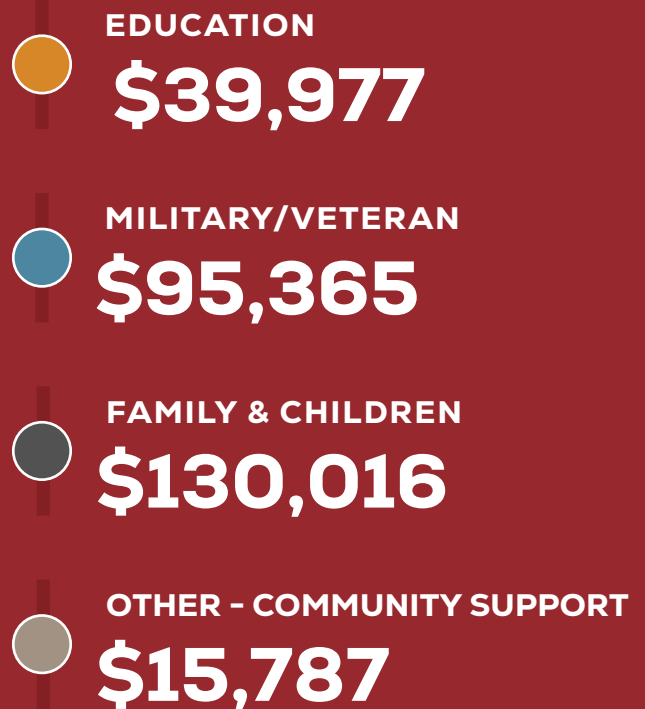
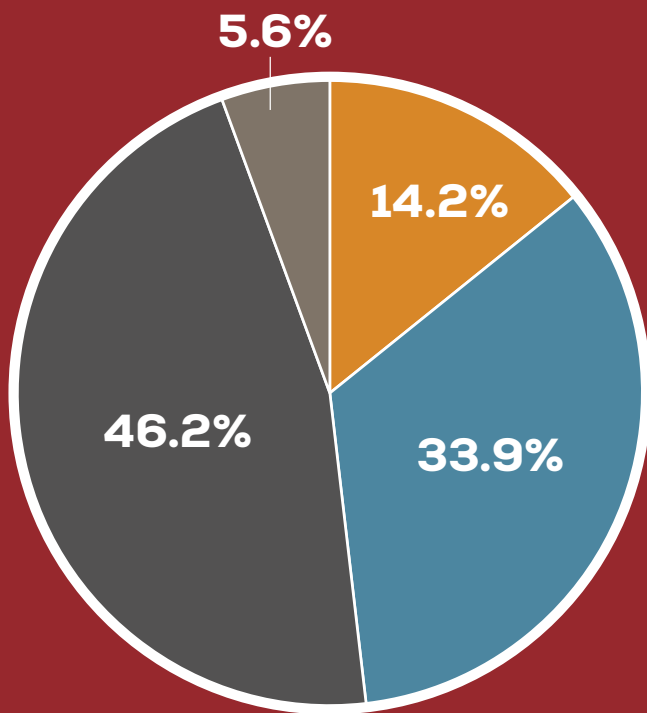
Kirtland CU had the pleasure of attending the Greater Valencia Chamber of Commerce Annual Installation Gala for 2024. Our very own Karla Garcia was appointed as a board member for 2025.

Community Giving

At Kirtland Credit Union, we believe in supporting the communities where our members live and work. That's why each year, we dedicate a portion of our profits to community giving.

In the last year, through our community giving efforts, we were able to **donate \$281,146** to key focus areas such as education, military and veteran causes, and family and children.

When our communities thrive, our members and their families thrive. Together, we can help create vibrant, caring communities for all.





Resources for Financial Empowerment



When you are thriving financially, everything else makes sense. Kirtland Credit Union supports members in achieving life's important milestones. Whether you're buying a car, paying for college, or securing your first home, we offer access to user-friendly financial tools to guide you along the way.

Take a look at Kirtland's Financial Wellness page at kirtlandcu.org/fwc and click "Visit MoneyEdu." Explore online financial empowerment courses, interactive tools, assessments, and calculators to help inform your financial future. **Do you MoneyEdu?**



COURSES

Learn about dozens of topics, from budget basics to financial planning.



ARTICLES

Our library covers every aspect of your life's financial education needs.



TOOLS

Calculators, assessments and data to help you navigate real-world scenarios.

We Appreciate our Employees



I Love My Credit Union Day

Each year we celebrate credit unions and host member appreciation festivities at all of our branches. Our staff definitely takes pride in our credit union!

Staff attended our annual summer event at Rock N Bowl! Good food, some impressive bowling - a fun time was had by all.



Employee Summer Event



Jersey Days at KCU

The Kirtland CU staff takes football seriously. To kick-off the new season, team members were excited to show support for their favorite teams.

Make Plans To *Live Confident*

No matter where you are in **your financial planning journey**, our team of knowledgeable advisors are **here for you**.



Get started today! Make your appointment at [KirtlandCU.org/Schedule](https://www.kirtlandcu.org/Schedule) or by calling 505.254.4363.

Kirtland Credit Union ("Financial Institution") provides referrals to financial professionals of LPL Financial LLC ("LPL") pursuant to an agreement that allows LPL to pay the Financial Institution for these referrals. This creates an incentive for the Financial Institution to make these referrals, resulting in a conflict of interest. The Financial Institution is not a current client of LPL for advisory services.

Please visit <https://www.lpl.com/disclosures/is-lpl-relationship-disclosure.html> or scan the QR code below for more detailed information. The information provided is not intended to be a substitute for specific individualized tax planning or legal advice. We suggest that you consult with a qualified tax or legal professional.

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LPL offer products and services using Kirtland Financial Services, and may also be employees of Kirtland Federal Credit Union. These products and services are being offered through LPL or its affiliates, which are separate entities from, and not affiliates of, Kirtland Federal Credit Union or Kirtland Financial Services.

Securities and insurances offered through LPL or its affiliates are:

Not Insured by NCUA or Any Other Government Agency	Not Credit Union Guaranteed	Not Credit Union Deposits or Obligations	May Lose Value
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Our Locations

LOS LUNAS BRANCH

2270 Main St NW
Suite D
Los Lunas, NM 87031

HOME LOAN CENTER

6700 Jefferson St NE
Suite D-1
Albuquerque, NM 87109

GIBSON BRANCH

6440 Gibson Blvd SE
Albuquerque, NM 87108
(Intersection of Gibson & Louisiana)

COORS PAVILION BRANCH

4101 Coors Blvd NW
Suite B
Albuquerque, NM 87120

PASEO BRANCH

6550 Holly Ave NE
Suite D-6
Albuquerque, NM 87113

KIRTLAND AIR FORCE BASE

BASE EXCHANGE BRANCH

(RESTRICTED ACCESS)
7901 Gibson Blvd SE
Building 20176
Albuquerque, NM 87116
(1 block east of Gibson Gate)

MONTGOMERY CROSSING BRANCH

8900 Montgomery Blvd NE
Albuquerque, NM 87111
(East of Wyoming Blvd)

RIO RANCHO BRANCH

111 Rio Rancho Blvd NE
Suite 112
Rio Rancho, NM 87124

WEST ALAMEDA BRANCH

10200 Corrales Rd NW #F
Albuquerque, NM 87114
(Intersection of Coors & Alameda)

1-800-880-5328

kirtlandcu.org



Live
Confident.

