



ANNUAL REPORT

2019

Gain
FEDERAL CREDIT UNION

CHAIR & PRESIDENT/CEO REPORT

Onward and Upward – Gain Federal Credit Union continued its steady path of growth throughout 2019. Below are a few highlights of our expansion.

Pacoima Merger – Gain is a financial institution which believes everyone deserves access to fair and honest banking services. A similar company philosophy could also be found at Pacoima Development Federal Credit Union (PDFCU).

Like many small credit unions, PDFCU grappled with competition from large banks and credit unions, local payday lenders, check cashers (not known for providing reasonably priced services) and the high costs of providing first-rate online and mobile banking options to their members.

Our friends at PDFCU looked to Gain FCU's greater resources to reach more people in the community while providing additional products and services that their members had come to expect. Due in part to our reputation as a stable and trusted neighborhood banking partner, we were permitted to complete the merger of PDFCU with Gain Federal Credit Union.

We thank Nilima Kapoor, previous CEO of PDFCU, for her assistance and support during the merger.

We now offer better banking to over 1,000 new members in the Northeast San Fernando Valley and have a centrally located branch with an ATM at 13168 Van Nuys Boulevard.

UAWFCU Merger – We also completed the merger of United America West Federal Credit Union (UAWFCU) into Gain, effective December 31, 2019.

We thank Linda Melendez, previous President and CEO of UAWFCU, for her 32 years of service to the C.U. mission and support in the joining of two longtime credit unions.

On behalf of our 21,000 members, we look forward to serving you and your family's financial needs in 2020.

Seminars & Classes – Sharing our knowledge for our members' financial advantage is an important part of our mission. Once again we had over 200 of our younger members participate and attend Independent Advantage, our exclusive financial literacy class for teens – now in its 22nd year.

We also produced a dozen financial sessions for members, touching on a wide array of financial topics such as home buying, selling and staging, long-term elder care, college funding solutions, women and retirement, and millennials and money.

Mobile App – We introduced a few new features in 2019 that we are excited to bring to our members. In our quest to provide a first-rate mobile experience, Gain Mobile Banking now offers you instant access to your credit score in our mobile app. The button is called "Credit Score and More," because along with your

score you can also get your credit report, personalized tips on how to improve your score or maintain an already great score, and financial tips from The Money Blog and much more.

You can refresh your score daily without affecting your score. It's built right into our already easy-to-use mobile banking and online banking platforms, so you don't need a new login.

Our app now also gives you access to your Platinum Rewards points redemption and Skip-A-Pay, which allows you to defer making a payment on qualified loans.

EZ Pay – Sometimes circumstances don't allow you to make payments through direct transfer, mobile or online banking.

With EZ Pay you have a fast, easy and secure way to make your loan payment online by using your checking account from another institution. You may also pay with a Visa®/Mastercard® debit card, or Mastercard or Discover credit card from another financial institution.

Just click the EZ Pay Circle on our home page. Call us during regular business hours at (818) 846-1710 or (800) 622-3328 if you need help.

All payments received before 6:00 pm (PT) will be credited on the same day. Payments made after that cutoff time or on weekends or holidays will be processed on the next business day.

Community Engagement – Gain has a long history of commitment to our local communities, and we support the organizations and associations which uplift, engage and enlighten.

One unique event I'd like to mention is our Thanksgiving Day Brunch where we teamed up with Family Promise of the Verdugos and hosted four families (in our Burbank branch) to a morning of food, fun and activities.

I invite you to take a look at the Community Engagement infographic in this report and know that many of the staff who help you in our branches have attended and participated in many events throughout the communities we serve in 2019.

In Closing – We want to thank Bill Smith for his 32+ years of service to the Credit Union and its membership. His contributions have been invaluable to the growth and well-being of Gain.

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 Nearman, Maynard, Vallez CPAs to conduct the annual audit of the Credit Union's Financials.

We are pleased to report that Gain Federal Credit Union continues to maintain 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 and Paula Ohan 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



Laura Brownell, Chair
Darin Guggenheimer, President / CEO

TREASURER'S REPORT

To the right is the condensed 2019 financial report of Gain Federal Credit Union.

Some of the key points of our financial statements include the increase in total assets for 2019 of \$34.8 million, a 10.41% improvement over 2018. Membership deposits increased at a rate of 10.9%, or \$33 million over 2018. These growth numbers are reflective of the merging in of Pacoima Development Federal Credit Union and United America West Federal Credit Union. Throughout 2019, we funded \$76.1 million in new loans for Members.

Peggy Peters,
Treasurer



WE RECOGNIZE BILL SMITH BOARD EMERITUS

Bill Smith became a member of the Credit Union in 1954, began volunteering on the Member Services Committee in 1987, and began serving on the Board of Directors in 1992. In 2019, Bill retired from the Board and now holds the title of "Board Emeritus" 2019.

Bill Smith,
Board Emeritus



FINANCIAL STATEMENT

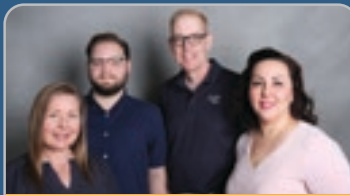
Assets	Audited December 31, 2019	Audited December 31, 2018	Change
Loans	206,535,122	195,794,577	10,740,545
Investments	129,712,560	107,320,314	22,392,246
Other Assets	33,029,206	31,334,308	1,694,898
TOTAL ASSETS	369,276,888	334,449,199	34,827,689
Liabilities			
Notes Payable	-	-	-
Other Liabilities	3,039,992	2,668,035	371,957
Member Deposits	337,184,695	304,003,854	33,180,841
Reserves & Retained Earnings	29,052,201	27,777,310	1,274,891
TOTAL LIABILITIES & EQUITY	369,276,888	334,449,199	34,827,689
Income & Expenses			
Gross Income	15,841,872	14,515,400	1,326,472
Expenses	(11,843,787)	(10,520,567)	(1,323,220)
Provision for Loan Loss	(525,000)	(550,000)	25,000
NCUSIF Impairment & Corp CU Recap.	-	-	-
Dividends to Members	(1,715,697)	(1,260,081)	(455,616)
Interest on Borrowed Funds	-	-	-
NET TO RESERVES & RETAINED EARNINGS	1,757,388	2,184,752	(427,364)
Members	21,435	19,490	1,945

VOLUNTEERS & STAFF



Board of Directors

Left to right: Jess Talamantes, Laura Brownell, Joe Tersigni, Kim Freed, John Ostly, Peggy Peters, Branda Castaneda



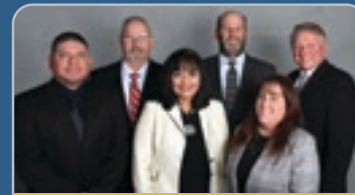
Supervisory Committee

Left to right: Julianne Venturo, Justin Robertson, Darrin Borders, Paula Ohan



Committee of CU Volunteers

Left to right: Brianna Kresja, Dee Smith, Christine Alles, Marvin Davis, Kathy Bremmer, Destiny Bowie, Wendy DeLeon, Not Pictured: Larry Koch, Polyna Berlin, Barbara DeVall



Executive

Left to right: Edwin Magaña, Greg Marcella, Maria Obeid, Darin Guggenheimer, Michelle Griffin, Eric Foster



Finance

Left to right: Yesika Vasquez, Mercedes Espinoza, Laurie Krattiger



Administration

Left to right: Katie Foy, Giovanna de Giorgio, Cheri Powell, Tammy Romero



Business Program Specialists

Left to right: Melanie Luz, Joseph Rodriguez, Despina Perera



Call Center

Left to right: Crystal Perryman, Anacely Manzo, Calvin Lin, Nicki Thammavong, Stephen Flores, Aracely Lupercio, Linda Lewis



Consumer Lending

Left to right: Juanita Reyes, Anna Escobar, Mylene Lansang, Robert Lopez, Cynthia McDonald, Karissa Corona, Demecia Lee, Wendy Ortiz



Information Technology

Left to right: Doug Jackman, Kevin Foy, Eric Yang



Loan Servicing

Left to right: Karla Angel, Yvonne Boutte, Cristy Calove, Norma Lopez, Tina Rosas, Codie Beck, May Pabalan



Business Development & Marketing

Left to right: Brock Collins, Joanna Tomlinson, Michael Cardona



Sales & Service - Pacoima Branch

Left to right: Stephanie Flores, Louis Velazquez, Francisco Garcia



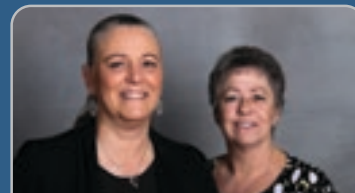
Sales & Service - Burbank Branch

Left to right: Nairie Tarakchian, Adrienn Blair, Leigh Anne Pineda, Kelly Kingman, Cesar Giombini, Jasmine Dixon, Paul Stewart, Liz Orozco, Stephanie Weitekamp, Krystal Avila, Chris Bayona



Support Services

Left to right: Lupe Carrillo, Jazmin Pelaez, Naomi Warren, Cielo Andrade



Real Estate Lending

Left to right: Lisa Donaldson, Sharon Wilson

OUR 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.

COMMUNITY ENGAGEMENT



OVER 912

hours of community
involvement by
our employees



19

Nonprofits
supported



\$36,500

Donations given
to facilitate teen
financial literacy



\$29.95

Average
cost per
hour donated*



CURRENT AND PAST SUPPORTED NON-PROFITS:

Family Promise of the Verdugos

Kiwanis Club

The Boys & Girls Club of Burbank and Greater
East Valley

Family Service Agency

Burbank Temporary Aid Center

M.E.N.D.

Burbank Police Officers' Association

Kids Community Dental Clinic

Zonta Club

Burbank Chamber of Commerce

Pacoima Chamber of Commerce

Burbank Education Foundation

Burbank Unified School District

Burbank Coordinating Council

Volunteers of the Burbank Animal Shelter

Hands Across the Battlefield Annual Thank a

Soldier Event

Burbank Arts for All

American Cancer Society Relay for Life

Gain

FEDERAL CREDIT UNION

BURBANK BRANCH

1800 W. Magnolia Blvd.
Burbank, CA 91506

PACOIMA BRANCH

13168 Van Nuys Blvd.
Pacoima, CA 91331

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