



Alhambra
CREDIT UNION

Focused on you

70th Annual Membership Meeting

April 17, 2026, at 3:30 P.M.

Online Virtual Meeting

Meeting Agenda

Presented by:

Cathy Poplin-Lutz, Board Chairman

Eddie Moraga, President/CEO

1. Welcome and Quorum Determination
2. 2025 Annual Meeting Minutes Approval
3. Chairman's Report in the 2026 Annual Report
4. Treasurer's Report in the 2026 Annual Report
5. Supervisory Committee Report in the 2026 Annual Report
6. CEO Report in the 2026 Annual Report
7. Election
8. Donation
9. Adjournment



Alhambra Credit Union

69th Annual Meeting Minutes

July 30, 2025

- I. **Call Meeting to Order** - Chairman Cathy Poplin-Lutz called the meeting to order at 3:35 p.m. by online virtual meeting. There were 29 members present, and it was confirmed there was a quorum. Cathy introduced the Board of Directors, the Supervisory Committee and Eddie Moraga. Members were able to access the program containing the Minutes from the 2023 Annual Meeting; The Treasurer's report, Supervisory Committee, Credit Manager and Financial Statements as of December 31, 2024, are available online.
- Ca II. **Introductions** – Cathy welcomed everyone who joined the meeting. Cathy thanked the CEO Eddie Moraga and his staff for their hard work.
- III. **Approval of Annual Meeting Minutes** – There were no corrections or additions to the minutes. A motion was made by Carlos Gutierrez, second by Jacqueline Espinoza, to approve the 2023 Annual Meeting Minutes as submitted. Motion carried unanimously.

Chairman's Report – Cathy stated the chairman's report is available on the website under annual meeting, for everyone to read. Cathy stated the 2025 annual report is included. This past year, we have made significant strides in member services, digital innovation, and community outreach. Cathy encouraged everyone to review the full report for more details.

Treasurer's Report – Cathy stated the treasurer's report is available on the website for everyone to read. Cathy reported the 2025 annual report, outlines our financial performance, we have maintained strong capital ratios and achieved steady growth in assets and member deposits. Our financial position remains solid, and we're well prepared for future investments.

Supervisory Committee Report – Jacqueline Espinoza, reported the supervisory committee has completed its annual audit and oversight responsibilities. Their report confirms that Alhambra Credit Union continues to operate with integrity and in compliance with all regulatory requirements, Cathy thanked the committee for their diligence.

President Report - Eddie reported the 2025 annual report, reflects on operational achievements, member satisfaction, and strategic initiatives. We have expanded digital services, improved turnaround times, and launched new financial wellness programs.

- IV. **Election of Directors** – Cathy Poplin-Lutz opened elections for the Board of Directors by asking for nominations from the floor three times; there were none. Cathy Poplin-Lutz and Jacqueline Espinoza will remain for a second term. A motion was made by Carlos Gutierrez, second by Jacqueline Espinoza, to cast a unanimous ballot. Motion carried unanimously.
- V. **Door Prizes** – Cathy reported, as part of our community support and in lieu of door prizes, we are proud to announce a donation of \$500.00 to Halo Animal Rescue.
- VI. **By Law update- Eddie reported on the bylaw changes.** There is one minor change of name from Arizona Department of Financial Institutions to Arizona Department of Insurance and Financial Institutions. A motion was made by Carlos Gutierrez, second by Jacqueline Espinoza, to cast a unanimous ballot. Motion carried unanimously.
- VII. **Adjournment** - A motion was made by Cathy Poplin-Lutz, second by Carlos Gutierrez, to adjourn the meeting at 3:48 p.m. Motion carried unanimously.

Respectfully submitted by,

Attested by,

Jacqueline Espinoza, Secretary,

Cathy Poplin-Lutz, Chairman

ALHAMBRA CREDIT UNION ELECTION BALLOT

April 17, 2026

CANDIDATES FOR BOARD OF DIRECTORS (Three positions available)

CARLOS GUTIERREZ (incumbent)

Carlos has been an active member of Alhambra Credit Union since 2015. He is a native of the West Valley and graduated twice from ASU. He is an attorney with Dickinson Wright in Phoenix, which is based out of Detroit. Carlos' practice for the past 17 years has focused primarily in complex business and commercial litigation. He looks forward to adding his education and experience to the Board, learning from the other Board members, and seeing the growth of ACU.

JESSE LINDERMAN (incumbent)

Jesse has been a member of the Alhambra credit union since 1995. He was raised in Phoenix and graduated from Thunderbird High School. He worked for Barnes Group, a fortune 500 company, selling maintenance and operational supplies to various companies throughout the Valley for ten years. During this time, he also established his own commercial cleaning business, Cutting Edge Cleaning. Eight years ago, he purchased AAA Cleaning and Maintenance and consolidated the two businesses. His main focus is now residential clients throughout the West Valley. As a loyal member of Alhambra Credit Union for over twenty years he looks forward to serving the members and community as a member of the Board.

Norma Pacheco (incumbent)

Norma has been a member of the Alhambra Credit Union since 1996. She served on the Board of Directors and enjoyed the opportunity to learn how the operations of Alhambra Credit Union. I believe in growing the credit union and welcomed the changes made while I was on the Board of Directors at ACU. I believe that we can continue to grow our membership and our services.

Write-In Candidate



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Board Chair Report

70th Annual Membership Meeting Alhambra Credit Union

On behalf of the Board of Directors, welcome to our 70th Annual Membership Meeting. Thank you for being here today and, more importantly, thank you for choosing Alhambra Credit Union. Your trust and continued membership mean a great deal to all of us.

Over the past year, Alhambra Credit Union has continued to move forward from a solid position. Even as the economic environment shifted and presented new challenges, your credit union remained financially strong and continued to grow. It reflects the hard work of our staff and leadership team, who show up every day committed to doing things the right way.

As a Board, our role is straightforward but important. We are responsible for providing oversight and making sure the credit union remains safe, sound, and focused on its long-term future. Throughout the year, we worked closely with management to review financial performance, manage risk, meet regulatory requirements, and stay aligned with our strategic goals. We feel confident that Alhambra Credit Union is well prepared to continue meeting member needs while protecting the financial health of the organization.

We also welcome members who want to take a more active role in the credit union's future. Serving as a volunteer or Board member is one of the most rewarding ways to give back to our cooperative. If you are interested in learning more, we encourage you to reach out to President and CEO Eddie Moraga.

Looking ahead to 2026–2027, the Board remains focused on steady, thoughtful progress. Our priorities include improving digital access and security, growing membership responsibly, supporting financial education, and continuing to strengthen the credit union's financial position while managing risk carefully.

On behalf of the Board of Directors, thank you to our members for your trust, to our employees for their dedication and professionalism, and to our management team for their leadership. We appreciate your continued support and look forward to another year of serving you and strengthening Alhambra Credit Union together.

Respectfully submitted,

Cathy Poplin Lutz

Board Chair

Alhambra Credit Union



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President's Annual Report to the Membership

70th Annual Membership Meeting

Fiscal Year 2025–2026

Prepared by **Eddie Moraga, President & CEO**

Dear Members,

As we mark our **70th Annual Membership Meeting**, I want to thank you for placing your continued trust in Alhambra Credit Union. Reaching this milestone is a reflection of generations of members, volunteers, and employees who have remained committed to cooperative values, local service, and financial stewardship.

The 2025–2026 fiscal year was one that required focus and discipline. Financial institutions nationwide continued to navigate elevated interest rates, increased fraud risks, rising operating costs, and heightened regulatory expectations. In this environment, Alhambra Credit Union remained safe, sound, and well-positioned—never losing sight of our responsibility to protect member assets while continuing to deliver value.

Throughout the year, we strengthened our financial foundation, improved internal operations, and invested strategically in technology and security. These efforts were intentional. Growth was measured, risk was managed carefully, and decisions were guided by long-term sustainability rather than short-term gains.

Just as important, we continued to modernize how we serve members. Enhancements to digital services, fraud prevention, and convenience tools allowed members to bank more securely and efficiently, while our staff remained focused on providing personal service and local support.

Community engagement also remained a core priority. Whether through financial education initiatives, student support, local events, or nonprofit partnerships, Alhambra Credit Union continued to show up for the communities we serve.

None of this work happens without dedicated people. I want to thank our employees for their professionalism, adaptability, and commitment during a demanding year. I also thank our Board of Directors and Supervisory Committee for their leadership, oversight, and stewardship on behalf of our membership.

Looking ahead, we will continue to move thoughtfully—investing in technology, strengthening our balance sheet, supporting staff development, and expanding access to financial tools that meet the evolving needs of our members. Our mission remains unchanged: to serve members responsibly, consistently, and with integrity.

This is your credit union. Every decision we make is guided by our obligation to you.

Thank you for your membership and for being part of our shared journey.



Financial Highlights

Alhambra Credit Union maintained a strong financial position throughout the fiscal year:

- **Total Assets** reached **\$33.57 million**, reflecting steady year-over-year growth.
- **Loan Portfolio** totaled **\$21.87 million**, with controlled growth and limited delinquency outside of two isolated home equity cases.
- **Net Worth Ratio** remained stable at **8.94%**, approaching the Board's 9% target.
- **Return on Assets** improved to **0.59%** by June 2025.
- **Loan and Investment Yields** exceeded targets at **7.23%** and **2.55%**, respectively.

These results reflect prudent balance-sheet management and disciplined risk oversight.

Member-Focused Improvements

Key service and operational enhancements during the year included:

- Continued growth in **Message Pay**, with increased member adoption.
- Launch of **Credit Sense**, giving members better access to credit monitoring and education tools.
- **ATM and instant issue improvements** to strengthen convenience and card security.
- Continued development of **digital card issuance** and **flexible rewards** programs.

Each initiative was evaluated through the lens of security, member value, and long-term sustainability.

Community Engagement

Alhambra Credit Union remained actively engaged in the communities we serve by:

- Participating in local events including **Front Porch Friday**, **Cordova Fall Festival**, and **Arizona Credit Union Week**.
- Hosting our **1st Annual Truck 'n' Treat** event at the Phoenix office.
- Supporting student-focused initiatives, including the **Verrado BSU Club**.
- Partnering with **North Glenn Square** for a holiday toy drive.

These efforts reinforce our belief that strong credit unions help build strong communities.



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Staff & Leadership Recognition

During the year, we proudly recognized milestone service anniversaries for:

- **Erma Frank – 27 years**
- **Kristin Moraga – 24 years**
- **Eddie Moraga – 21 years**

We also recognized **Camille Roloff** as a **2025 Young Professional Lead** and continued investing in leadership development across the organization.

Looking Ahead

As we move forward, our strategic priorities include:

- Advancing **digital transformation**, including digital card issuance and enhanced rewards.
 - Continuing operational improvements identified during the **2025 planning session**.
 - Maintaining **financial strength**, with a target net worth ratio above 9%.
 - Growing lending responsibly, with emphasis on **auto** and **home equity** products.
 - Expanding **financial education**, community partnerships, and staff development opportunities.
-

In Closing

On behalf of the entire Alhambra Credit Union team, thank you for your trust, your participation, and your membership. Together, we are honoring our past while building a strong, stable foundation for the future.

Respectfully,

Eddie Moraga

President & Chief Executive Officer
Alhambra Credit Union



Supervisory Committee Report

70th Annual Membership Meeting Alhambra Credit Union Fiscal Year 2025–2026

The Supervisory Committee of Alhambra Credit Union serves as an independent body responsible for safeguarding the interests of the membership through oversight of financial reporting, internal controls, and compliance with applicable laws and regulations. The Committee is appointed by, and reports directly to, the Board of Directors while maintaining independence from management.

During the 2025–2026 fiscal year, the Committee fulfilled its responsibilities in an operating environment marked by heightened regulatory expectations and increased risk across the financial services industry. The Committee focused on ensuring that appropriate internal controls and oversight processes were in place to support safe and sound operations.

Oversight Responsibilities

The Supervisory Committee's primary responsibilities include:

- Engaging an independent certified public accounting firm to conduct the annual financial statement audit
- Reviewing the adequacy of internal controls and segregation of duties
- Monitoring compliance with applicable federal and state regulations
- Ensuring fiduciary responsibilities are fulfilled by the Board of Directors and management

The annual independent audit was conducted by **Doeren Mayhew, CPAs**, who issued an opinion that the financial statements of Alhambra Credit Union were presented fairly, in all material respects, in accordance with applicable accounting standards. The audit did not identify any material weaknesses or reportable conditions.

Governance

The Supervisory Committee works cooperatively with the Board of Directors and management while maintaining independence in its oversight role. Observations and conclusions are reported directly to the Board to support transparency, accountability, and sound governance.



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Members with experience in accounting, auditing, or financial oversight who are interested in volunteering on the Supervisory Committee may contact **Eddie Moraga, President & CEO**, for additional information.

Respectfully submitted,

Jackie Espinoza

Chairperson, Supervisory Committee
Alhambra Credit Union



Treasurer's Report

70th Annual Membership Meeting

Alhambra Credit Union

Fiscal Year Ended June 30, 2025

Prepared by Jesse Linderman, Treasurer

The Treasurer's Report summarizes the financial condition and operating results of Alhambra Credit Union as of June 30, 2025, based on the audited financial statements prepared in accordance with generally accepted accounting principles.

Financial Condition

As of June 30, 2025, Alhambra Credit Union reported:

- Total Assets: \$33,573,703
- Loans to Members (gross): \$21,867,775
- Allowance for Credit Losses: \$346,157
- Loans to Members, Net: \$21,521,618
- Members' Shares and Savings: \$30,137,421
- Total Liabilities: \$30,570,675
- Members' Equity (Net Worth): \$3,003,028

The credit union reported a net worth ratio of 9.17% and met the regulatory definition of "well capitalized" under NCUA requirements as of June 30, 2025.

Earnings

For the year ended June 30, 2025:

- Total Interest Income: \$1,773,544
- Net Interest Income: \$1,587,804
- Provision for Credit Losses: \$53,151
- Non-Interest Income: \$644,234
- Total Non-Interest Expenses: \$2,091,591
- Net Income: \$87,296



Liquidity and Funding

As of year-end:

- Cash and Cash Equivalents: \$3,344,994
- Interest-Bearing Deposits: \$6,675,000

The credit union maintained an unused line of credit of approximately \$2.4 million with Catalyst Corporate Federal Credit Union and had no outstanding borrowings as of June 30, 2025.

Audit and Regulatory Oversight

The financial statements were audited by Doeren Mayhew, CPAs, who issued an unmodified audit opinion stating that the financial statements present fairly, in all material respects, the financial position and results of operations of Alhambra Credit Union in accordance with GAAP. The auditors reported:

- No material weaknesses in internal control
- No significant deficiencies requiring communication
- No disagreements with management

Conclusion

The financial condition of Alhambra Credit Union as of June 30, 2025 reflects compliance with applicable regulatory capital requirements and the results of prudent balance-sheet, capital, and liquidity management.

Respectfully submitted,
Jesse Linderman
Treasurer
Alhambra Credit Union