

# Improving together.



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# Growth isn't just about dollars and cents.

To us, growth is also about improving products and services for our members, taking care of our employees, and reinvesting in the community that has embraced us since 1955.

In 2013, we made it more convenient to access and manage financial accounts through mobile deposits, opened a new Smart Branch, and relaunched our award-winning website with advanced online banking and security.

By revamping our Mortgage Department, we streamlined the lending process for members; and by incorporating Spanish language materials in all branches, we improved accessibility.

Growing our community was just as important, which is why we supported local nonprofits through volunteering and providing financial donations.

Overall, 2013 proved to be an outstanding year of growth for Vantage West and our members. We look forward to continuing that growth in 2014.





**Dale R. Whittaker**  
*Chairman, Board of Directors*

**As the US economy continued its modest recovery in 2013, and heightened consumer confidence and job creation led to the highest consumer spending since 2008, Vantage West Credit Union remained focused on providing solutions to our members' growing financial needs.**

I am proud to report that as a result of prudent governance, sound fiscal management, and thoughtful decision making by your Board of Directors and management, your credit union emerged as one of the best-managed credit unions in the country.

As of December 31, 2013, our total assets stood at \$1.3 billion, representing an 8% increase from \$1.2 billion the previous year. This was driven primarily by the 7.3% growth in share deposits as we implemented deposit pricing strategies to benefit the membership. Our membership base also grew to 124,000 by year-end 2013.

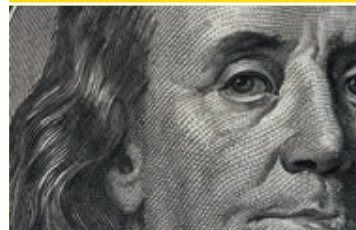
Most significantly, the credit union's net worth ratio increased from 12.52% as of year-end 2012 to 12.62% by year-end 2013. This ratio is indicative of a very strong financial position and far exceeds the 7.00% level to be classified as "well capitalized" by the National Credit Union Administration (NCUA). The NCUA peer group average for this ratio was approximately 10.70%.

Underlying these achievements is our commitment to serve you, our membership. We will always look for ways to enhance the value offered by our financial products and services, and we will always strive to remain responsive to your personal and business needs.

*Thank you for believing in us, and for your valued membership.*

**8%**

*Total assets stood at \$1.3 billion, representing an 8% increase from \$1.2 billion the previous year.*







**Robert D. Ramirez**

*President/CEO*

**In 2013, Vantage West remained steadfast in our efforts to find new and innovative ways to serve our membership. A proud testament to this is our 1st Avenue "Smart Branch" in Tucson which officially opened in December.**

As our first interactive financial center, this branch offers all the conveniences of our traditional branches, plus the benefits of modern banking technology. Members can take advantage of sophisticated ATM kiosks with self-service options, personalized service with our knowledgeable branch staff, and onsite issuance of debit cards.

We also made positive strides in consumer and business lending. As we experienced a newfound consumer confidence in the real estate market, we reinvested in our infrastructure to ensure we make your home buying experience as easy as possible. Our auto lending continues to be our niche product. In 2013, Vantage West led in the state of Arizona in auto lending. We successfully captured about a third of the total indirect auto lending in our credit union marketplace with a total volume of \$348 million. Meanwhile, we added our Business Visa® Credit Card to our

list of products for our business members. The card offers 1% cash back on qualifying purchases along with a very competitive interest rate.

Vantage West is also all about helping our members with their financial well-being. Today, we offer a full range of deposit products to meet our members' needs in checking, money market and IRA savings accounts, as well as alternative savings options to choose from based on one's unique needs and goals.

In closing, we remain committed to our mission, ***"People helping people achieve their financial goals...our #1 priority,"*** and we will continue to diligently earn your business through our focus on providing solutions to our membership.



*"Most of the important things in the world have been accomplished by people who have kept on trying when there seemed to be no hope at all."*

*- Dale Carnegie*



**Gary W. Smith**  
*Treasurer, Board of Directors*

The year 2013 was exceptional for Vantage West Credit Union as evidenced by several key financial indicators. We experienced robust loan growth of 13.6%; 5.3% growth in membership resulting in 6,217 new members; and a 7.3% increase in members' deposits, which significantly exceeded our performance goal for the year.

Likewise, we successfully maximized the yield on our earning assets with a loan-to-share ratio of 101%, compared to our peers at approximately 73%. Essentially, all these point to the fact that Vantage West continues to operate in a position of financial strength.

Today, Vantage West continues to be the largest and leading credit union in Southern Arizona. We are the #1 indirect lender for auto loans among Mountain West Credit Union Association members throughout Arizona, Colorado and Wyoming. In 2013, Vantage West was recognized by the Business Development Finance Corporation for being the previous year's top Small Business Association 504 Lender in Southern Arizona and was named "The Gold Institution."

Meanwhile, after conducting its independent audit of the credit union's financial statements as of December 31, 2013 and 2012, our external auditors Orth, Chakler, Murnane and Company stated their professional opinion that "these present fairly, in all material respects" the credit union's financial position and the results of its operations for both years.

As your treasurer, I am pleased to report that Vantage West Credit Union is in excellent financial health and is above the national average in earnings and loan growth. Our asset growth is generating positive returns which indicate well-managed growth from prudent management of assets and members' deposits.

# #1

*We are the #1 indirect lender for auto loans among Mountain West Credit Union Association members throughout Arizona, Colorado and Wyoming.*





**Ernie Norzagaray**

*Chairperson, Supervisory Committee*

The members of the Supervisory Committee independently evaluate the soundness of Vantage West Credit Union's operations and activities. They ensure that the Internal Audit Department and management implement sound internal controls as well as maintain practices and procedures that adhere to accepted general accounting principles. In doing so, they carry out the committee's primary responsibilities as follows:

- *Ensure that the directors, committees and employees of our credit union comply with the rules and regulations set forth by Arizona law and enforced by the Arizona Department of Financial Institutions (AZDFI)*
- *Conduct an annual comprehensive review of the credit union's internal controls in association with the external certified public accounting firm of Orth, Chakler, Murnane and Company*
- *Work directly with the Internal Audit Department to ensure compliance, regulations, policies and procedures are being followed to ensure Vantage West Credit Union continues to excel*
- *Protect and ensure the best interest of all Vantage West Credit Union members*

The Supervisory Committee members are appointed by the credit union's Board of Directors, in accordance with Arizona law and the credit union's bylaws.

I am very pleased to report that all reviews of Vantage West's performance indicate that the credit union has strong financial controls in place and is a strongly capitalized financial institution.

*Congratulations to all Vantage West staff, management and volunteers for their part in making the credit union a great success.*

## Statements of Financial Condition

Assets	2013	2012
Cash & Cash Equivalents	\$22,797,200	\$80,657,003
Investments		
Available-for-Sale	76,741,861	55,851,467
Other	4,235,448	5,268,720
Federal Home Loan Bank Stock	2,219,900	2,812,300
Loans Held for Sale	-	1,893,742
Loans, Net of Allowance for Loan Loss	1,080,523,414	949,553,324
Accrued Interest Receivable	4,040,024	3,745,909
Notes Receivable	939,034	960,827
Prepaid and Other Assets	33,920,293	31,110,697
Intangible Assets	2,811,583	2,986,843
NCUA Share Insurance Deposit	10,168,532	9,912,084
Property and Equipment, Net of Depreciation	29,285,950	28,613,506
<b>TOTAL ASSETS</b>	<b>1,267,683,239</b>	<b>1,173,366,422</b>
<b>Liabilities</b>		
Borrowed Funds and Interest Payable	7,000,012	-
Accounts Payable and Accrued Liabilities	18,432,977	16,718,389
Dividends Payable	57,425	46,253
Members' Share Accounts	1,083,699,859	1,009,718,881
<b>TOTAL LIABILITIES</b>	<b>1,109,190,273</b>	<b>1,026,483,523</b>
<b>Equity</b>		
Undivided Earnings	1,500,000	1,500,000
Regular/Statutory Reserve	14,105,367	14,105,367
Other Reserves	141,344,850	128,313,914
Equity Acquired in Merger	2,800,000	2,800,000
Accumulated Other Comprehensive Income (Loss)	(1,257,251)	163,618
<b>TOTAL EQUITY</b>	<b>158,492,966</b>	<b>146,882,899</b>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>\$1,267,683,239</b>	<b>1,173,366,422</b>



## Statements of Income

Assets	2013	2012
Loan Interest	\$58,244,631	\$57,265,939
Investment Income	1,037,147	1,582,312
<b>TOTAL INTEREST INCOME</b>	<b>59,281,778</b>	<b>58,848,251</b>
<b>Dividend and Interest Expense</b>		
Dividend Expense	4,326,372	4,406,736
Interest on Borrowed Funds	13,052	-
Other Interest	135,725	98,399
Total Dividend and Interest Expense	4,475,149	4,505,135
Net Interest Income	54,806,629	54,343,116
Provision for Loan Losses	8,909,000	9,189,000
<b>NET INTEREST INCOME AFTER PROVISION</b>	<b>45,897,629</b>	<b>45,154,116</b>
<b>Non-Interest Income</b>		
Fees and Commission Income	15,415,957	14,199,035
Miscellaneous Non-Interest Income	1,226,612	739,277
Gain on Sale of Loans	254,311	352,717
<b>TOTAL NON-INTEREST INCOME</b>	<b>16,896,880</b>	<b>15,291,029</b>
	<b>62,794,509</b>	<b>60,445,145</b>
<b>Non-Interest Expense</b>		
Salaries and Benefits	27,229,309	25,405,760
Office Operations	17,012,585	15,745,189
Office Occupancy	2,513,550	2,481,772
NCUSIF Premium Assessment	897,516	1,022,158
Other Expense	1,539,332	1,226,432
Professional and Outside Services	571,281	479,474
<b>TOTAL NON-INTEREST EXPENSE</b>	<b>49,763,573</b>	<b>46,360,785</b>
<b>NET INCOME (LOSS)</b>	<b>\$13,030,936</b>	<b>\$14,084,360</b>

## Officers



### Board of Directors

Dale R. Whittaker	<i>Chairman</i>
Charles H. "Matt" Matthewson	<i>Vice Chairman</i>
Gary Smith	<i>Treasurer</i>
Telesforo "Soonie" Marin	<i>Secretary</i>
Gloria Gonzalez	<i>Director</i>
Eugene Santarelli	<i>Director</i>
Lea Marquez-Peterson	<i>Director</i>

### Senior Management

Robert D. Ramirez	<i>President/CEO</i>
Rene S. Almazan	<i>Sr. Vice President, Chief Lending Officer</i>
Steven M. Mott	<i>Sr. Vice President, Technology</i>
James Hanson	<i>Vice President, Business Banking</i>
Danielle Bridges	<i>Vice President, Consumer Lending</i>
James "Rocky" Chandler	<i>Vice President, Indirect Lending</i>
Daniel Clemens	<i>Vice President, Enterprise Risk Management</i>
Doris Gant	<i>Vice President, Operations</i>
Brenda Gordon	<i>Vice President, Legal Counsel</i>
Stefan Harris	<i>Vice President, Technology</i>
Jamie S. Hernandez	<i>Vice President, Regional Sales Manager</i>
Sandra B. Lueders	<i>Vice President, Human Resources &amp; Development</i>
Scott B. Odom	<i>Vice President, Finance</i>
Charles "Chuck" Powell	<i>Vice President, Asset/Liability Management</i>
Jason Smalarz	<i>Vice President, VP Loss Mitigation &amp; Loan Servicing</i>

### Supervisory Committee

Ernie Norzagaray	<i>Chairman</i>
Ana Archer	<i>Secretary</i>
Miland Wilken	<i>Member</i>
Helen Arnold	<i>Member</i>
Linda Broadwater	<i>Member</i>

## Locations

### Pima County

1st Avenue	4280 N. 1st Ave.
Broadway	8465 E. Broadway Blvd.
Catalina	16460 N. Oracle Rd.
Craycroft	2222-4 S. Craycroft Rd.
DM Air Force Base (Limited Access)	3320 S. Craycroft Rd., Bldg. 2520
Marana (AZ Pavilions)	8290 N. Cortaro Rd.
Northwest	550 W. Magee Rd.
Rita Ranch	7394 S. Nexus Rd.
Southwest	3125 E. Valencia Rd.
Tanque Verde	7163 E. Tanque Verde Rd., Ste. C114
University	801 E. Speedway Blvd.
Wilmot	1100 N. Wilmot Rd.

### Maricopa County

32nd & Shea	10440 N. 32nd St.
Black Canyon (Phoenix)	3416 N. 24th Ln.

### Pinal County

Casa Grande	2008 E. Florence Blvd.
San Manuel	141 W. 8th Ave.

### Cochise County

Tombstone	218 S. Sumner St.
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## Contact Information

### Phone

520.298.7882  
800.888.7882

### Online

[vantagewest.org](http://vantagewest.org)  
[info@vantagewest.org](mailto:info@vantagewest.org)

### Corporate Address

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### Mailing Address

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NMLS# 485751

[vantagewest.org](http://vantagewest.org)



*People helping people achieve their financial goals...our #1 priority.*