



2023

BUSINESS REPORT

As we reflect on 2023, I am proud of the achievements and successes of Gulf Winds Credit Union. This was a year of resilience, growth, and dedication to our mission of **helping our members and communities succeed financially.**



We earned Bauer's superior 5-star rating for the 118th straight quarter and maintained our net worth of over 10%. Our team remained dedicated to the community by volunteering over 1,135 hours and supporting more than 80 local non-profit organizations. We delivered a new Rate Bump Certificate of Deposit product that empowers our members to grow their savings with unique options for flexibility. We expanded our online, no credit impact pre-qualification tool to include credit cards while also launching Real Time Rewards for new, exciting options for redeeming your credit card rewards.

Along with these new products, we also launched innovations within the digital banking experience. To help deliver your funds faster, we launched Real-Time Mobile Check Deposit. And, to make updating your member information easier, we introduced "My Profile." Now, making changes to your member information like home address, phone number, and email is more convenient than ever.

These accomplishments, along with many others, showcase the impact we are making in our community and lives of our members. We are truly dedicated to our mission of helping our members and communities succeed financially. **Since 1954**, our story has been defined by sustainable growth, dedicated team members and recognizable impact. With this being our 70th anniversary of doing business, we are committed to building on these principles that make our foundation solid. Thank you for being an integral part of the Gulf Winds family. Here's to 70 more years of financial strength, member success, and community support!

A handwritten signature in black ink, appearing to read "Daniel Souers". The signature is fluid and cursive, with a large, sweeping flourish at the end.

Daniel Souers,
President/CEO

Report from the **INDEPENDENT AUDITOR**



316 South Baylen Street, Suite 300
Pensacola, FL 32502

To the Supervisory Committee of
Gulf Winds Credit Union

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Gulf Winds Credit Union and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

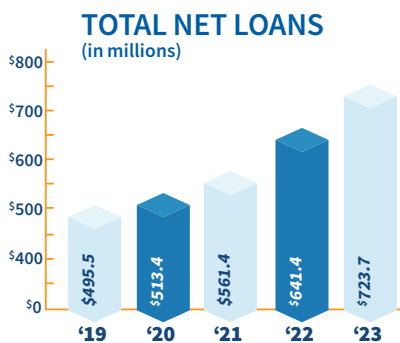
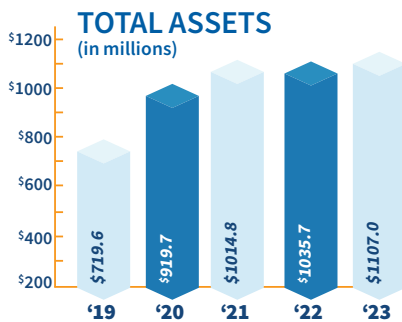
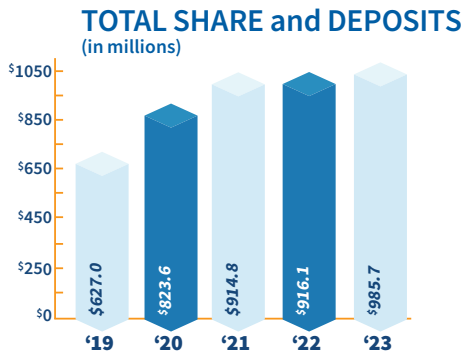
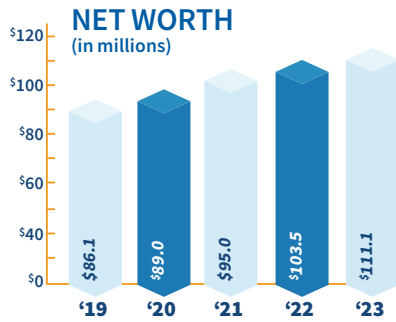
Opinion

We have audited the accompanying financial statements of Gulf Winds Credit Union, which comprise the statements of financial condition as of June 30, 2023 and 2022, and the related statements of comprehensive income (loss), changes in members' equity and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Gulf Winds Credit Union as of June 30, 2023 and 2022, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Warren Averett
Pensacola, Florida
September 29, 2023

2023 FINANCIAL REVIEW



Statement of Reserves and Undivided Earnings as of Dec. 31, 2023

REGULAR AND SPECIAL RESERVES	
Regular Reserve	\$6,552,433
Undivided earnings	
Balance at beginning of year	95,865,973
Add: Net Income 2023	7,573,321
Total Undivided Earnings	\$101,871,816
Other Comprehensive Income	(31,615,295)
Total Members' Equity	\$76,808,955

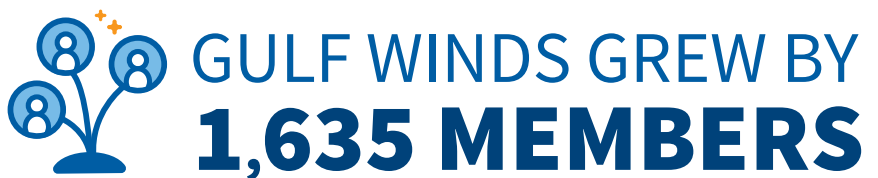
Statement of Condition for the Years Ended Dec. 31, 2023 & 2022

ASSETS	2023	2022
Earning Assets:		
Net Member Loans	\$723,694,984	\$641,400,642
Investments	232,771,456	283,785,062
Cash Equivalents	80,592,679	49,199,029
Total Earning Assets	1,037,059,119	974,384,733
Non-Earning Assets:		
Cash on Hand	8,409,350	7,454,487
Premises and Equipment, Net	15,849,894	16,676,972
Other Assets	45,703,052	37,134,255
Total Non-Earning Assets	69,962,296	61,265,714
Total Assets	\$1,107,021,416	\$1,035,650,447
LIABILITIES		
Members' Share and Savings Accounts:		
Shares	\$683,164,210	\$768,290,567
IRA Accounts	34,116,838	38,336,796
CDs	268,382,652	109,478,973
Total Members' Share and Savings Accounts	\$985,663,611	\$916,106,336
Accrued Expenses and Other Liabilities	44,548,851	53,279,675
Total Liabilities	\$1,030,212,462	\$969,386,011
Members' Equity:		
Reserves	6,552,433	6,552,433
Undivided Earnings	101,871,816	95,865,973
Accumulated Other Comprehensive Income (loss)	(31,615,295)	(36,153,971)
Total Members' Equity	\$76,808,955	\$66,264,436
Total Liabilities and Equity	\$1,107,021,416	\$1,035,650,447

Statement of Income for the Years Ended Dec. 31, 2023 & 2022

REVENUE FROM EARNING ASSETS	2023	2022
Interest Income on Loans	\$37,566,230	\$29,056,245
Investment Income	6,972,172	5,570,771
Total Revenue from Earning Assets	44,538,402	34,627,016
COST OF FUNDS		
Member Dividends	9,210,344	3,104,430
Interest on Borrowed Funds	1,922,766	231,248
Total Cost of Funds	11,133,110	3,335,678
GROSS MARGIN	33,405,292	31,291,338
Less: Provision for Loan Loss	(4,991,237)	(3,034,771)
Net Margin	28,414,055	28,256,567
NONINTEREST REVENUE	18,573,586	16,886,784
OPERATING EXPENSES		
Compensation and Benefits	19,698,856	18,340,050
Office Operations and Occupancy	19,583,998	17,891,339
Member Insurance	35,337	39,794
Total Operating Expenses	39,318,191	36,271,183
NON-OPERATING (GAINS)/LOSSES		
Net (gain) loss on sale of property & equipment	0	1,239
Net (gain) loss on sale of other real estate owned	(53,398)	515
Net (gain) loss on investments	149,526	386,724
Net Income / (Loss)	\$7,573,321	\$8,483,690

2023 PERFORMANCE



\$1 BILLION
IN TOTAL ASSETS



BAUERFINANCIAL
5-STAR RATED



1,135
VOLUNTEER
HOURS



213,542
CONVERSATIONS WITH MEMBERS
THROUGH THE CONTACT CENTER

118 CONSECUTIVE
QUARTERS



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