

1997 Annual Report



BUILDING

*assets,*

BUILDING

*lives*



*The mission of  
ACCION  
New Mexico  
is to increase access to  
business credit, make  
loans, and provide  
training which enable  
emerging  
entrepreneurs to realize  
their dreams and be  
catalysts for positive  
economic and social  
change.*



**OUR MISSION**

(previous page)

*The Ford family, clients of ACCION New Mexico, own M and J Pioneer Popcorn (photo courtesy of Ken Kobre).*

**MESSAGE FROM THE CHAIRMAN OF THE BOARD**




New Mexico's small neighborhood and home-based businesses hold a wellspring of promise for our state's future. Behind Albuquerque's storefronts, private homes and festival booths are hard-working men and women who are creating better lives for themselves, their families, their neighborhoods.

ACCION New Mexico believes that investing in these people and their businesses strengthens our economy and builds a better community. We know such investments will pay off long into the future and for generations to come. ACCION is not about charity. It is about helping people help themselves start or grow their own businesses.

In just over three and a half years, ACCION New Mexico made 639 small-business loans in the Albuquerque area totaling \$710,129. In 1997 alone, we issued 137 loans totaling \$183,875. Our work has been made possible by grants and contributions by the private sector and revenues generated by our lending program. Every dollar we earn is reinvested in helping our community.

In January 1997, in concert with ACCION International's U.S. network, ACCION New Mexico received the White House Presidential Award for Excellence in Microenterprise Development. In September 1997, our CEO, Anne Haines Yatskowitz, received the U.S. Department of Commerce's Minority Business Advocate of the Year award for an 11-state region. Also in 1997, ACCION New Mexico and ACCION International were featured in a half-hour segment of *The Visionaries*, a PBS television series shown throughout the U.S.

To propel us forward, we have developed and launched an exciting and aggressive strategic plan. This planning effort — involving staff, directors, clients and donors — is paving the way for future innovation in micro-enterprise development. ACCION New Mexico will continue to invest in the lives and livelihoods of enterprising individuals because every dollar invested in human endeavor has an immediate and enduring benefit — for all of us. 

*Message*

Sincerely,

Roberto Espat

Chairman of the Board, 1997

## CHANGING LIVES

# Goldie Garcia

Returning home to New Mexico in 1990 with a degree from Harvard University, Goldie Garcia thought she would have her choice of jobs. Then reality hit: Goldie was repeatedly told by local employers that she was overqualified. "I was going hungry," she says. So she went into business for herself, selling her own handmade artwork.

In 1994, Goldie's artwork gained her entry into Santa Fe's Spanish Market, a world-renowned exhibition featuring the work of Hispanic artisans. While relishing that achievement, Goldie still had one challenge left: financing display cases to showcase her artwork at the market. She turned to ACCION New Mexico, which approved a \$500 business loan. Goldie's first year at Spanish Market was so successful that her loan was repaid in less than a week. Additional ACCION loans helped Goldie expand her inventory and, in 1997, she took out a \$1,250 loan to fashion hundreds of glittering bottlecap earrings and shrines. She made a \$10,000 profit in one weekend.

Goldie's entrepreneurship has created a much-needed income while allowing her to make a lasting contribution to the cultural legacy of New Mexico. Goldie is proud to point out that her artwork now resides in the collections of several museums, including the Whitney Museum and the Santa Fe Museum of International Folk Art.



PHOTO COURTESY OF KEN KOBRE

*Goldie Garcia made a \$10,000 profit in one weekend.*

## Measuring Impact

ACCION New Mexico tracks certain socio-economic data on clients each time they apply for a loan from the program. By June 1996, ACCION New Mexico had enough multiple-loan clients to analyze certain changes entrepreneurs experienced over time.

### THE BOTTOM LINE

From the time they entered the program to the date of their third loan application, a sample size of 55 clients showed average increases of 71% in business assets, 61% in business revenues, 87% in take-home income from the business, 21% in overall household income and 21% in full-time jobs.

While the study sample of multiple loan clients is small, the information points to a promising and exciting trend, which ACCION New Mexico will continue to track over time as the program grows.

## 1997 HIGHLIGHTS


The year 1997 was one of recognition for our program, evidenced by the White House Presidential Award for Excellence in Microenterprise Development and the national exposure on the PBS television series, *The Visionaries*. Many of our clients found themselves in the national and local media spotlight as ACCION New Mexico became better known throughout the community.

At the same time, 1997 was a year of intense introspection and planning, positioning us to do an even better job in fulfilling our mission.

A strategic planning process launched in mid-1997 set the pace and direction for moving ACCION New Mexico into the future. Three task forces comprised of clients, board, staff, funders and volunteers focused on examining our mission and vision, leveraging resources for growth, and optimizing our product and marketing mix.

We conducted a market study to get a clear picture of our existing and potential customers, their needs and their concerns. We analyzed and began adjusting our products to make sure they were accessible and market-focused. We formed innovative partnerships and collaborations to position our customers for ongoing success.

Through increased staff training, professional development mentoring and the streamlining of operating processes, we increased our organizational capacity and improved our effectiveness inside and outside the organization. We adjusted our mission and vision to make sure we maintained absolute focus on our customers, the marketplace and the social and economic needs of our state.

ACCION New Mexico set the foundation to ensure that every dollar donated to our program will have the greatest possible effect on the communities we serve. 



*First Lady Hillary Clinton with Anne Haines Yatskowitz, CEO, at the Presidential Award Ceremony.*

## *Focusing on the Market*



*ACCION New Mexico entrepreneur Patrick Jenkins named his business "A Better U."*

## FINANCIAL SUMMARY

### Balance Sheet

	1997	1996
<b>Assets</b>		
Cash	\$232,030	\$234,601
Accounts Receivable	—	1,250
Contributions Receivable	136,019	25,593
Micro Enterprise Loans Receivable, Less Allowance for Loan Losses of \$20,111 in 1997 and \$38,121 in 1996	100,906	82,806
Equipment, Less Accumulated Depreciation of \$10,581 in 1997 and \$7,943 in 1996	5,348	7,217
Other Assets	929	4,320
<b>Total Assets</b>	<b>\$475,232</b>	<b>\$355,787</b>
<b>Liabilities &amp; Net Assets</b>		
<b>Liabilities</b>		
Accounts Payable	\$ 5,466	\$ 6,341
Accrued Payroll	6,932	6,053
Accrued Vacation Payable	5,258	2,257
Line of Credit	200,000	170,000
Other Accrued Liabilities	—	505
<b>Total Liabilities</b>	<b>\$217,656</b>	<b>\$185,156</b>
<b>Net Assets</b>		
Unrestricted	182,576	120,631
Temporarily Restricted	75,000	50,000
<b>Total Net Assets</b>	<b>\$257,576</b>	<b>\$170,631</b>
<b>Total Liabilities &amp; Net Assets</b>	<b>\$475,232</b>	<b>\$355,787</b>

### CREDIT FACILITIES

First State Bank  
Norwest Bank  
Wells Fargo Bank

### 1997 STATISTICS

Total Lent	\$183,875
Total Number of Loans Issued	137
Active Clients — End of Year	126
Active Portfolio — End of Year	\$121,017

### Revenue and Expense Statement

	1997	1996
<b>Support and Revenue</b>		
Support Contributions	\$ 313,810	\$ 308,865
<b>Total Support</b>	<b>\$313,810</b>	<b>\$308,865</b>
<b>Revenue</b>		
Interest	\$ 4,518	\$ 1,586
Loan Interest and Fees	30,735	47,743
In-Kind Contributions	122,803	29,892
Other	2,531	—
<b>Total Revenue</b>	<b>\$160,587</b>	<b>\$ 79,221</b>
<b>Total Support and Revenue, and Net Assets Released from Restrictions</b>	<b>\$474,397</b>	<b>\$388,086</b>
<b>Expenses</b>		
Program Services	\$ 309,663	\$ 225,620
Fundraising	45,086	29,543
Support	32,703	20,108
<b>Total Expenses</b>	<b>\$387,452</b>	<b>\$275,271</b>
<b>Change in Net Assets</b>	<b>\$ 86,945</b>	<b>\$112,815</b>
<b>Net Assets at Beg. of Period</b>	<b>\$170,631</b>	<b>\$ 57,816</b>
<b>Net Assets at End of Period</b>	<b>\$257,576</b>	<b>\$170,631</b>

Fiscal Year is Nov. 1 - Oct. 31

Complete financial statements,  
audited by KPMG/Peat Marwick,  
are available upon request through  
ACCION New Mexico.

### CUMULATIVE LOAN INFORMATION SINCE INCEPTION (3/14/94)

Total Lent	\$710,129
Total Businesses Lent to	352
Total Loans Made	639
Total Write Off	\$15,152
Average Loan Size	\$1,091

ACCION New Mexico



## 1998 BOARD OF DIRECTORS

### **Robert Taichert, Chairman**

Attorney at Law,  
Hinkle, Cox, Eaton, Coffield & Hensley, LLP

### **H. Patrick Dee, Vice Chairman**

Executive Vice President, First State Bank

### **Dennis S. Sterosky, Treasurer**

Senior Partner, Pulakos & Alongi, Ltd.

### **Mary Lee Sparks, Secretary**

Director, Lumpkin Foundation

### **Ray Ziler, Campaign Chairman**

Managing Partner, Arthur Andersen & Co.

### **Roberto Epat, Sr., Past Chairman**

President, Roses Southwest Papers, Inc.

### **Thomas H. Bonafair**

Chairman & CEO, New Mexico Beverage Co.

### **Michael Bowlin**

President & CEO, Bowlin's Inc.

### **William Burrus**

Senior Vice President/U.S. Division  
ACCION International

### **Carol Cochran**

Partner, Rogoff, Erickson, Diamond & Walker LLP

### **Edward J. Consroe**

Vice President/Site Director,  
Citibank/Citicorp Credit Services Inc.

### **James Covell, CED**

President, Covell Consultants

### **Thelma Domenici**

President, Thelma Domenici & Associates

### **Edward T. O'Leary**

President & CEO, First Security Bank

### **Jon Patten**

President, Dion's Pizza

### **Sandy Salazar Reiger**

Vice President, First State Bank

## ACCION NEW MEXICO STAFF

### **Anne Haines Yatskowitz**

President/CEO

### **Beth Chavez**

Development Officer

### **Marisa Barrera**

Loan Officer

### **Jennifer Crandall**

Administrative Coordinator

## 1997 FUNDING PARTNERS

Altrusa International Inc. of Albuquerque  
Anonymous  
Arthur Andersen & Co.  
Jacqueline J. Baca  
Bank of America - New Mexico  
Victor Barrera (in-kind)  
Noel Behne  
Gene Belcher  
Monique Blackman  
Clifford Blaugrund  
Blaugrund Family Fund -  
Albuquerque Community Foundation  
Dianna Bolick (in-kind)  
Tom & Cindy Bonafair  
Bowlin's Outdoor Advertising (in-kind)  
Bowlin's Design and Printing (in-kind)  
Bradbury & Stamm Construction  
Doug & Sarah Brown  
Bueno Foods  
Jennifer Cantrell, CPA  
Carolina-Douglas Corporation  
Beth & Max Chavez  
Citadel Communications Corp. (in-kind)  
Citicorp Foundation  
Carol & John Cochran  
Costco-Price Club  
James Covell  
Bruce & Laura Cumming  
D. M. & Associates  
Pat & Debbie Dee  
Jennifer N. Dinsmore  
Thelma N. Domenici  
Economic Forum  
Enchantment Land Certified Dev. Corp.  
Enviroco Corporation  
First Security Bank (in-kind)  
First State Bank  
Mark & Ingrid Gorham  
Harriet Haines  
Hinkle Cox Eaton Coffield & Hensley  
(in-kind)  
Insurance Planners of New Mexico  
Jacobs Center for NonProfit Innovation  
(in-kind)  
Jacobs Engineering Group Inc.  
Jacobs Family Foundation  
Johnson & Associates, Ltd.  
Kerr Foundation, Inc.  
Klinger Constructors Inc.  
KPMG Peat Marwick (in-kind)  
Lockheed Martin  
Lumpkin Foundation  
Lynch, Printz, Aldridge & Grammer  
(in-kind)  
Lindalee Maisel  
Market Space Financial Inc.  
Deirdre McCormack  
McCune Charitable Foundation  
Merlinda's Blue Ribbon Salsa (in-kind)  
Dick Mico  
Ina & Maynard Miller  
Modrall, Sperling, Roehl, Harris & Sisk  
National Associates of New Mexico, PC

NationsBank  
New Mexico Beverage Co. (in-kind)  
NIKKEN - Health and You  
Norwest Bank of New Mexico  
Our Secret Ltd.  
Padilla Industries Inc.  
Livingston & Joanna Parsons  
Peter Defries Corporation  
John & Sally Piscotty  
Prudential Securities Incorporated  
Public Service Company  
of New Mexico  
Public Welfare Foundation  
Pulakos & Alongi (in-kind)  
Rebecca Richins  
Rick Johnson & Company Inc.  
(in-kind)  
Rogoff, Erickson, Diamond &  
Walker  
Roses Southwest Papers Inc.  
Thomas & Ellen Ann Ryan  
S&J Enterprises Inc.  
SP Pharmaceuticals  
Dorothy Sanson  
Michael W. Settle  
Share Our Strength-Taste of the  
Nation  
Silkscreen Graphics, Inc.  
Alvin Solomon  
Mary Lee & John Sparks  
Sparton Technology  
Robert & Florrie Stamm Fund -  
Albuquerque Community  
Foundation  
Dennis & Doris Sterosky  
Strategic Learning Services  
Summit Electric Supply  
Taichert & Wiggins (in-kind)  
Talbot Agency  
Max L. Thrasher, CPA  
Tortuga Inc.  
Carol Tucker Trelease  
Union Savings Bank  
Vilella Skarsgard & Noya, P.A.  
Marva Bailey Vollmar  
Way-Cor Redi-Mix, Inc.  
Anne & Jerry Yatskowitz

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