

A League
OF OUR OWN



SANTA FE FEDERAL CREDIT UNION
2023 ANNUAL REPORT

TEAM

BOARD OF DIRECTORS

Lewis Brown, Chairman
Mike Poole, Vice Chairman
David Reese, Treasurer
Daniel Martinez, Secretary
Angie Foster
Dusty Kemp
Tim McCauley
David McCauley
Dennis Mustoe
Anna Thoreson
Billy West

SUPERVISORY COMMITTEE

AMARILLO
Mike Blevins
Sandy Bertrand
Robert Mitchell

ALBUQUERQUE
Patrick Perea

MANAGEMENT AND STAFF

AMARILLO STAFF

Steven Adee, President and CEO
Tammy McNair, EVP/COO
Caleb McLean, CFO
Mistie Allison, VP of Lending & Asset Protection
Krysten Castillo, VP of Human Resources
Sarena Carpenter, Director of CU Experience
Daniela Kerr, Branch Supervisor
Jared Brown, Member Services Supervisor
Alesha Womack, First Impression Person
Alexis Ramos, Member Services Rep
Alyssa Mannin, Loan Officer
Breanna Baeza, First Impression Person
Brianna Glidewell, Title Clerk
Christian Amrhein, Accounting Clerk
Christie Morgan, IRA/Accounting Specialist
Claudia Ortiz, Collections Officer
Colton Kirkland, Loan Processor
Cynthia Garcia, EFT Clerk
Garren Travis, Scan Clerk
Guadalupe Lugo, Indirect Loan Specialist
Killian Craig, Loan Officer
Martina Jackson, Indirect Loan Officer
Mary Martinez, Marketing Director
Melissa Page, End User Support Tech
Michael Mosier, Member Services Rep

Michelle Molberg, Member Services Rep
Naomi Townsend, Member Services Rep
Sherra Shelton, Senior Loan Officer
Summer Wheeler, First Impression Person
Susie Abbott, Collections Officer
Travis Warzecha, System Administrator
Valerie Esquivel, Loan Processor
Yesenia Carnero Quintana, Member Services Rep

ALBUQUERQUE STAFF

Monica Chavez, Branch Manager
Linda Slezak, Member Services Supervisor
Fernando Gallardo, Loan Officer
Isabel Cardoza, Member Services Rep
Liza Molina, Collections Officer
Roxan Delgado, Member Services Rep
Samantha Wirch, Member Services Rep

BORGER STAFF

KoriDawn Tooley, Branch Manager
Bianca Rivera, Member Services Supervisor
Denise Jones, Loan Officer
Jennifer Mars, Member Services Rep
Kalee Alvarez, Member Services Rep
Kelsi Felker, Loan Officer

AGENDA

Call To Order
Invocation
Ascertaining of a Quorum
Last Year's Meeting Minutes
Board of Directors' Report
Treasurer's Report
Supervisory Committee's Report
Old Business
New Business
Door Prizes
Meeting Adjournment

Lewis Brown, Chairman
Steven Adee, CEO
Daniel Martinez, Secretary
Daniel Martinez, Secretary
Lewis Brown, Chairman
David Reese, Treasurer
Lauren Quill VanBeckum, Waypoint
Lewis Brown, Chairman
Lewis Brown, Chairman
Steven Adee, CEO
Lewis Brown, Chairman

CORE VALUES

RESPECT

INTEGRITY

FAMILY

QUALITY

SERVICE

COMMUNITY

IN 2023

OVER
\$21,000
DONATED

32
EVENTS SPONSORED

3
SCHOLARSHIPS GIVEN

7
FINANCIAL WORKSHOPS

5
MEMBER EVENTS

CEO

MESSAGE

The Board of Directors and staff are once again excited to complete another successful year of serving the members of Santa Fe Federal Credit Union. The past year presented new challenges and opportunities for success. The year began with the merger with Borger Federal Credit Union and the assimilation of staff and culture. I am pleased to report that the staff in Borger has done a tremendous job with the transition and the success of that branch throughout 2023.

Despite the Federal Reserve continuing to raise interest rates to lower the core inflation rate, Santa Fe FCU had an extremely successful year. The credit union continued its momentum created in 2022 with double-digit increases in most key areas. Total assets grew by 23.8%, loans by 28.5% and capital grew by 17.26%. With this tremendous growth, Santa Fe FCU surpassed another significant mile marker by eclipsing \$200 million in assets by the end of the year. Member Equity also grew 22.15% in 2023. Our top-tier certificate rates in both the Amarillo and Albuquerque markets contributed to a 59.93% growth in Share Certificates last year.

In 2023, with loans and shares growing at an unprecedented rate, the credit union prepared to enter 2024 with a year of digestion. The leadership of the credit union has set forth a goal to control and hopefully slow the credit union's growth to ensure that the credit union remains strong and healthy. The credit union 2024 Economic Outlook expressed by Steve Rick, Chief Economist for TruStage, suggests that we may see a marginal drop in interest rates this summer. However, those hopes should remain tempered based on the Federal Reserve's desire to get to a CPI (Consumer Price Index) rate at or around 2% and a hope of decreasing to 3% by the end of 2024. Mr. Rick also suggested that mortgage rates could see a slight drop later this year based on the decrease of the 10-year treasury rate.

Another heartfelt development that occurred in 2023 was the reduction of services from our Harrison location in downtown Amarillo and the eventual closure of that branch at the beginning of 2024. The Board and executive team worked diligently to try to procure a temporary location to allow that branch to remain open, but due to requirements from the City of Amarillo and the exuberant cost of the temporary location it was decided to consolidate all Amarillo operations to the Hillside location. The exciting news is that the abatement and construction of the new Harrison location has begun with expected completion by Summer 2025. The staff will continue to do everything within our power to make this transition go as smoothly as possible.

Santa Fe FCU's volunteers and staff remain committed to providing you with the best member service experience possible, whether that is through our personal service or more high-tech conveniences. We appreciate the faith you place in us to meet your financial needs and will continue to work hard to make Santa Fe Federal Credit Union worthy of being your trusted financial partner for years to come.



Steven Adee
CEO

SUPERVISORY

◇ COMMITTEE ◇

Santa Fe FCU's volunteer Supervisory Committee is appointed annually by the Chairman of the Board of Directors and confirmed by the entire board. The Supervisory Committee is responsible for the oversight of credit union operations, to ensure compliance with all applicable regulations, and to ensure that all records are maintained accurately. Acting on behalf of the membership, the Supervisory Committee is an entity required by the Federal Credit Union Act.

The committee meets throughout the year to perform duties which include periodic member account verifications, teller cash counts, and general oversight of the credit union operations.

The committee fulfilled their responsibility by contracting with WayPoint, a local auditing firm, to perform the annual audit. The committee receives a monthly financial report at the regularly scheduled board meetings and all members of the committee are invited and encouraged to attend the meetings.

The National Credit Union Administration conducted its last complete federal examination in October 2022. The independent audit team from Waypoint completed their annual review and audit in August 2023 and reported exemplary results. We believe the financial statements contained within this booklet accurately reflect Santa Fe FCU's excellent financial condition, proper internal controls, and a continued expectation for successful operations.

To effectively serve as your representative, we must be kept aware of your concerns. This can be done by formally writing the Supervisory Committee at the address listed below or by personally contacting any member of the committee listed within this report.

Supervisory Committee
P.O. Box 2672
Amarillo, Texas, 79105-2672

Santa Fe FCU continues to grow and prosper as a direct result of our members having the confidence in the services we provide. Such member confidence is achieved through effective planning and implementation of sound business policies. The members of your Supervisory Committee pledge their continued efforts to ensure your credit union remains an organization of quality and integrity.

WAYPOINT

◇ ADVISORY SERVICES ◇

To the Members of Santa Fe Federal Credit Union:

Your Supervisory Committee meets on a regular basis to oversee the credit union's audit function. Its mission is to ensure accurate and fair presentation of the credit union's financial condition. To accomplish its oversight and fiduciary responsibilities, the Supervisory Committee is assisted by the staff at Waypoint Advisory Services, Inc. Waypoint, an Amarillo based credit union auditing and consulting firm, conducts an annual examination of your credit union's assets, liabilities, and equity using auditing standards established and acceptable to regulators for the purpose of testing the fairness of the presented balance sheet. National Credit Union Administration (NCUA) Rules and Regulations set forth audit requirements and standards for credit unions, which are linked to asset size and audit type. In order to qualify to perform such testing, a compensated auditor must be independent of the credit union's employees, board of directors, supervisory and credit committees and/or the credit union's loan officers, and members of their immediate families.

Our review, effective August 31 2023, has been delivered to the Santa Fe FCU Supervisory Committee, who is appointed by the board of directors to oversee this review process. We examined, on their behalf, supporting documentation and sub-ledgers, including confirmation information with independent third parties where applicable.

The financials provided accurately reflect any and all adjusting entries and final account balances.

Waypoint Advisory Services, Inc., services over 150 credit unions in the Texas Panhandle and beyond. It is our pleasure to serve the members of Santa Fe Federal Credit Union.



Lauren Quill VanBeckum
Partner/Amarillo Regional Supervisor
Waypoint Advisory Services

TREASURER'S

REPORT

As your Treasurer, I am proud to report information pertaining to the financial performance of our credit union during the past year.

Assets and Capital

Santa Fe FCU's Total Assets represented \$209.9 million at year-end 2023. Reserves and Undivided Earnings are at \$23.67 million representing a solid net worth ratio of 11.28%.

Member Loans

The credit union's outstanding loan portfolio represented \$132,607,560 at year-end 2023. Santa Fe FCU saw a 28.5% loan increase in 2023.

Member Deposits

Member share balances increased by \$32,678,977 during 2023. Total member equity at year-end was \$180.2 million.

Operating Expenses

Operating expenses for the year of 2023 represented \$7,254,113. The credit union Net Operating Expense ratio was 2.69%. The NCUA guideline for Net Operating Expense is 3% or less.

The overall financial condition of Santa Fe FCU is sound and secure. Descriptive financial statements and statistics have been prepared and provided within this annual report of operations.

We appreciate your membership and encourage you and all family members to fully use the services of your credit union!

David Reese
Treasurer

\$209.9
MILLION IN ASSETS

11.28%
NET WORTH RATIO

28.5%
LOAN GROWTH

SERVICES

ACCOUNTS

Savings Accounts
Conductor's Club Accounts
Checking Accounts
Student Checking Accounts
IRAs
Certificates of Deposit
Coverdell IRA

ELECTRONIC SERVICES

Online Banking
Mobile App
Mobile App Check Deposit
Bill Pay
Online Loan Application
E-Statements
Electronic Signatures

LOANS

Cars
Trucks
Motorcycles
Classic Cars
ATVs
Boats
Jet Skis
Vacation
Credit Builder Loan
Debt Consolidation
Mortgages
Signature Loan
Credit Cards
Easy Money Line of Credit
RV/Motorhome
Texas HELOC
Cash 4 You Payday Loan
Student Loan Refinance

OTHER SERVICES

Safe Deposit Boxes
Notary Services
Courtesy Pay
Money Orders
Payroll Deduction
Wire Transfers
Gift Cards
Cashier's Checks
Mechanical Repair Coverage
Cash Advance
Credit Life Insurance
GAP
TruStage - Life and Auto
Hospital Insurance
AD&D Insurance
Medical Supplement
Credit Disability Insurance
Shared Branching

➔ DEBIT CARD REWARDS

Santa Fe FCU members get rewarded when they use their cards! Visit www.santafefcu.com/rewards

➔ ATMS AND BRANCHES NATIONWIDE

Visit www.santafefcu.com/atm for a list of ATMs and Shared Branch locations!



STATS

13,378
MEMBERS

LOANS



52.7%
LOAN INCREASE
IN THE PAST
FIVE YEARS

2,495
NEW MEMBERS

22%
INCREASE IN MEMBER EQUITY

23.8%
INCREASE IN ASSETS

60%
INCREASE IN CERTIFICATES OF DEPOSIT

FINANCIAL REPORT

STATEMENT OF FINANCIAL CONDITION

	December 2023		December 2022	
ASSETS				
Loans to Members	\$	132,607,560.34	\$	103,169,464.21
Allowance for Loan Loss	\$	(1,376,741.15)	\$	(786,311.94)
Receivables	\$	(10,219.39)	\$	(21,676.01)
Cash	\$	25,543,365.45	\$	15,899,706.34
Investments	\$	30,544,597.94	\$	31,137,680.86
Employee Benefit Investment	\$	13,403,525.54	\$	11,771,491.86
Prepaid Expenses & Deferred Charges	\$	142,559.84	\$	150,380.20
Fixed Assets	\$	6,613,235.71	\$	6,364,707.93
Accrued Income	\$	729,300.88	\$	440,407.90
Deposit in NCUSIF	\$	1,613,669.06	\$	1,282,935.86
Other Assets	\$	82,793.42	\$	84,559.28
TOTAL ASSETS	\$	209,893,647.64	\$	169,493,346.49
LIABILITIES & EQUITY				
Accounts Payable	\$	1,449,255.42	\$	1,034,037.92
Notes Payable	\$	3,333,333.32	\$	-
Dividends Payable	\$	350.46	\$	2.11
Taxes Payable	\$	292.25	\$	6,520.29
Accrued Expenses	\$	275,823.75	\$	133,527.18
Other Liabilities	\$	926,782.31	\$	573,911.21
TOTAL LIABILITIES	\$	5,985,837.51	\$	1,747,998.71
MEMBER EQUITY				
Regular Shares	\$	64,046,341.06	\$	64,024,327.69
Share Drafts	\$	16,079,628.00	\$	13,338,622.90
I.R.A.'s	\$	16,045,934.58	\$	17,636,132.29
Certificates	\$	84,066,724.63	\$	52,560,568.97
Other Deposits	\$	-	\$	-
TOTAL MEMBER EQUITY	\$	180,238,628.27	\$	147,559,651.85
RESERVES AND UNDIVIDED EARNINGS				
Regular & Legal Reserves	\$	-	\$	-
Other Reserves	\$	-	\$	-
Undivided Earnings	\$	21,728,219.75	\$	19,187,642.51
Current Period Net Income	\$	1,940,962.11	\$	998,053.42
TOTAL CAPITAL	\$	23,669,181.86	\$	20,185,695.93
TOTAL LIABILITIES & EQUITY	\$	209,893,647.64	\$	169,493,346.49

FINANCIAL REPORT

STATEMENT OF INCOME AND EXPENSES

	December 2023		December 2022	
INCOME:				
Income From Loans	\$	8,045,399.83	\$	4,381,042.60
Investment Income	\$	1,444,849.05	\$	738,492.05
Employee Offset Income	\$	1,650,033.32	\$	137,304.26
Fees & Charges	\$	961,873.47	\$	762,487.97
Miscellaneous Income	\$	1,190,077.56	\$	1,068,023.20
Total Income	\$	13,292,233.23	\$	7,087,350.08
COST OF FUNDS:				
Dividends on Accounts	\$	3,992,029.36	\$	1,013,291.01
Cost of Borrowed Money	\$	120,392.35	\$	29.06
Total Cost of Funds	\$	4,112,421.71	\$	1,013,320.07
EXPENSES:				
Employee Compensation	\$	2,676,874.52	\$	2,130,875.25
Employee Benefits	\$	733,446.59	\$	596,913.50
Travel and Conferences	\$	35,462.97	\$	30,832.61
Association Dues	\$	29,016.24	\$	28,512.08
Office Occupancy	\$	492,636.39	\$	427,779.57
Office Operations	\$	1,519,905.42	\$	1,078,946.49
Educational & Promotional	\$	183,392.75	\$	150,332.86
Loan Servicing	\$	430,562.91	\$	73,527.70
Professional & Outside Services	\$	291,900.72	\$	317,476.94
Provision for Loan Losses	\$	741,152.38	\$	178,160.99
Member Insurances	\$	-	\$	-
Miscellaneous Expenses	\$	119,762.68	\$	71,320.37
Total Operating Expense	\$	7,254,113.57	\$	5,084,678.36
NET OPERATING INCOME (LOSS)	\$	1,925,697.95	\$	989,351.65
NON-OPERATING GAINS/(LOSSES):				
Gain/(Loss) on Sale of Investments	\$	0.16	\$	(5,840.23)
Gain/(Loss) on Sale of Fixed Assets	\$	24.00	\$	142.00
Other Non-Operating Gains or (Losses)	\$	15,240.00	\$	14,400.00
Total Non-Operating Expenses	\$	15,264.16	\$	8,701.77
NET INCOME	\$	1,940,962.11	\$	998,053.42

MINUTES

Board members present: Micheal R. Poole (Vice Chairman), Anna M. Thoreson (Secretary), Lewis A. Brown, Larry A. Fassauer, Angie Foster, Dusty L. Kemp, David McCauley, Tim McCauley, and Billy D. West.

Board members not present: Dennis K. Mustoe (Chairman) and David A. Reese (Treasurer).

Supervisory Committee members present: Mike Blevins, Daniel Martinez, Sandy Bertrand, and Patrick Perea.

Management personnel present: Steven Adee, Tammy McNair, and Caleb McLean.

BUSINESS MEETING CALLED TO ORDER:

Mr. Poole of the Board called the 87th Annual Shareholder's Meeting to order at 11:46 a.m. at Amarillo High School Cafeteria, Amarillo, TX. Prior to the business meeting, the membership enjoyed a BBQ lunch catered by the Desperados restaurant.

Mrs. Thoreson notified Mr. Poole a quorum was present, and the annual meeting could proceed as scheduled. There were 148 registered members in attendance.

INVOCATION:

Mr. Poole called on Caleb McLean to lead the invocation.

GREETING:

Mr. Adee offered a greeting to the members in attendance. He also took a moment to offer a special thanks to the staff present and to the volunteers who have worked diligently for the members of Santa Fe FCU.

Mr. Adee informed the membership that the merger between Borger FCU and Santa Fe FCU was completed on January 31st and that the operational completion of the merger will take place on May 1st.

Mr. Adee also took a moment to address the recent bank failures and assured the membership that Santa Fe FCU was not investing in high-risk investments and that the credit union has a strong capital position. The credit union also performs a quarterly stress test on rising or falling interest rates to ensure that the credit union remain healthy.

MINUTES OF PREVIOUS ANNUAL MEETING:

Mr. Poole called for a motion to accept the minutes of the previous Annual Meeting as presented in the 2023 Annual Report booklet. Mr. Brown made a motion to accept the previous annual meeting minutes as presented. Motion second was made by Mr. Kemp. The motion carried on voice vote.

MINUTES

ELECTION OF OFFICERS:

Mr. Poole directed the membership to the ballot and referenced the 3 positions open and the candidates running. Mr. Poole then called for nominations from the floor (3) times. Nominations from the floor: none

After 3 calls Mr. Poole instructed the staff to collect the ballots from the membership. Mr. Poole then asked members of the Supervisory Committee to join the staff in the hall to certify the vote.

OFFICER REPORTS:

Mr. Poole referred the members to the Annual Report booklet and made comments concerning our 86th anniversary and the direction of our credit union.

Mr. Mustoe then ask for a motion to accept the Supervisory, and Treasury Reports as presented in the Annual Report

Mrs. Martinez made a motion to accept the reports as presented. Motion seconded by Mr. Brown Motion passed by voice response.

Mr. Poole invited Ms. Quill with Waypoint Advisory Services to present a brief report on what Waypoint does for the credit union and give a brief report on Santa Fe FCU's safeness and soundness.

OLD BUSINESS:

Mr. Poole called for any old business to come before the membership.

None being heard, Mr. Poole proceeded to the next item of business on the agenda.

NEW BUSINESS:

Mr. Poole called for any new business to come before the membership.

None being heard, Mr. Poole invited Mr. Adee back to the podium. Mr. Adee thanked the staff and volunteers. Mr. Adee then spoke to the members about the safeness and soundness of the credit union considering the recent bank failures in California. Mr. Adee then proceeded to conduct the drawing for door prizes.

DOOR PRIZES:

Mr. Adee called on Lillie McLean to come forward and assist in drawing the lucky winner names from the hopper for door prizes. Lillie McLean was presented a cash prize of \$20 for being the official ticket drawer. Total cash prizes of \$2012 were given in denominations of (10) \$100, (13) \$50, (11) \$25 and (1) \$87.

MINUTES

The winner of the cash prize drawing were as follows:

1. Rita Fortenbury \$100
2. Kaitlynn Warzecha \$100
3. Geneva Smith \$100
4. Debbie Murphy \$100
5. Sandra Wheeler \$100
6. Robert Keys \$100
7. Daniel Martinez \$100
8. Ella Moreno \$100
9. Laurence Bertrand \$100
10. Lake Byers \$100
11. Cynthia Dowell \$87
12. Taylor Stevens \$50
13. Robert Mitchell \$50
14. Ruthie McLean \$50
15. Joana Putman \$50
16. Rita Estes \$50
17. Denisa Byers \$50
18. Mike Gallegos \$50
19. Jessa Priebe \$50
20. Debbie Brown \$50
21. Emma Acosta \$50
22. Joana Highsmith \$50
23. Nina Moreno \$50
24. Joanna Pullman \$50
25. Trevor West \$25
26. Thelma Polite \$25
27. J. R. Smith \$25
28. Rhonda Dittfurth \$25
29. Thomas Morgan \$25
30. Donna Poole \$25
31. Jonathon Garcia \$25
32. Troy Hayes \$25
33. Traysen Albert \$25
34. Janna Priebe \$25

ELECTION RESULTS:

After the presentation of door prizes Mr. Poole reported, the following people were elected to the Board to serve a 3-year term: Anna Thoreson, Bill West, and Daniel Martinez.

ADJOURNMENT:

Mr. Poole reminded all the Board of Directors present that a brief organizational meeting will be held following the conclusion of the Annual Meeting. Mr. Poole expressed the board's appreciation to all credit union members in attendance at the 87th Annual Meeting. There being no further business to come before the members Mr. Poole called for a motion to adjourn, Mr. West made a motion to adjourn the business meeting at 12:25 p.m. Motion second by Ms. McNair. Motion carried on voice vote.

Respectfully Submitted,

Micheal R. Poole (Chairman)

Anna Thoreson, Secretary



Santa Fe

FEDERAL CREDIT UNION

Keeping you on track

Visit us online!
www.santafefcu.com

