



Artesia Credit Union

69th Annual Meeting

December 19th, 2024

STATEMENT OF CONDITION

	<u>December 31, 2022</u>	<u>December 31, 2023</u>
<u>ASSETS</u>		
Loans to Members	\$ 87,472,207	\$ 106,095,246
Cash on Hand	\$ 608,578	\$ 259,130
Investment Accounts	\$ 42,895,189	\$ 31,924,492
Accrued Income	\$ 249,230	\$ 337,386
Prepaid and Deferred Expenses	\$ 145,071	\$ 245,940
Fixed and Other Assets	\$ 8,590,281	\$ 9,387,386
Reserve for Losses	\$ (1,133,000)	\$ (1,213,300)
NCUSIF	\$ 925,271	\$ 1,089,977
<u>Total Assets</u>	<u>\$ 139,752,527</u>	<u>\$ 148,126,257</u>
<u>LIABILITIES & CAPITAL:</u>		
Accounts Payable	\$ 66,698	\$ 82,280
Accrued Expenses	\$ 291,630	\$ 587,919
Member Share Accounts	\$ 119,770,018	\$ 126,316,715
Regular & Special Reserves	\$ 1,291,896	\$ 1,291,896
Undivided Earnings	\$ 18,332,585	\$ 19,847,447
<u>Total Liabilities & Capital</u>	<u>\$ 139,752,827</u>	<u>\$ 148,126,257</u>

STATEMENT OF INCOME

<u>INCOME:</u>		
Interest Earned on Loans	\$ 3,603,650	\$ 5,051,391
Income from Investments	\$ 445,612	\$ 657,979
Miscellaneous Income	\$ 1,011,293	\$ 1,281,516
<u>TOTAL OPERATING INCOME</u>	<u>\$ 5,060,555</u>	<u>\$ 6,990,886</u>
<u>TOTAL OPERATING EXPENSES</u>	<u>\$ 2,984,558</u>	<u>\$ 3,583,388</u>
<u>TOTAL MEMBERS</u>	8,540	9,124

A MESSAGE TO THE MEMBERS

In 2024, Artesia Credit Union is proud to celebrate 69 years of serving our community. It is truly inspiring to reflect on how our credit union has grown and prospered over the past six decades. As we look back, we also look forward with excitement and optimism for the growth and opportunities that lie ahead.

Over the past year, Artesia Credit Union has continued on a path of excellence and steady growth, now serving approximately 9,056 members. To enhance the member experience, we have re-imagined our strategies, focusing on advance electronic services that meet the demand of today's digital landscape. This includes enabling our members to apply for accounts and loans, communicate with credit union personnel, and complete transactions seamlessly using electronic devices. With 24/7 access through on-line, mobile, and text banking, we are committed to providing convenient and efficient financial solutions.

We are pleased to report that Artesia Credit Union's capital ratio at year-end 2023 was 14.27%-a figure that reflects strong financial health. To be considered well-capitalized by the NCUA, a credit union must maintain a capital ratio of 7.00%. Our total assets reached \$148,126,257.00 in 2023 and we are proud to see this growth continuing throughout 2024. A detailed breakdown of our assets and liabilities is presented on the following page.

As we look toward the future, we are excited to introduce new services that offer convenience and value to our members. These include instant-issue debit cards, which allow members to pick up a new debit card on the spot, as well as the addition of Apple Pay and Google Pay to our suite of services. We have also launched Zelle, a sophisticated and convenient way to transfer money quickly and securely.

Our success is made possible by the hard work of our dedicated and experienced staff, who are committed to delivering the highest levels of service at every step. We are equally fortunate to have a team of dedicated volunteers on our Board of Directors and Supervisory Committee, ensuring our members' best interests are always at the forefront.

At Artesia Credit Union, our philosophy and commitment to our members have remained unwavering. While there are many ways to measure a credit union's success, we believe the most important measure is you, our members. Your trust, loyalty, and confidence in us are what drive our success, and for that, we extend our deepest gratitude.

We look forward to continuing to serve you in 2025 and beyond.

Ronnie Johnston, CEO

Brian Taylor, Board Chairman

Supervisory Committee Report

December 19, 2024

REPORT OF THE SUPERVISORY COMMITTEE—JOANNE CLOWE, CHAIRPERSON

The Supervisory Committee is composed of: Joanne Clowe, Chairperson

Karen Leishman

Andrea Fuentes

Carolyn Shearman

MarySue Kuykendall

Report:

The Supervisory Committee performs monthly duties such as verifying Bank Reconciliations, checking new loans for compliance, doing surprise teller cash counts, and many other tasks. The committee provides the Board with reports on its progress and findings related to its audit procedures and oversight of internal control.

In November of 2023, the Financial Institutions Division of the State of New Mexico, and the National Credit Union Administration, conducted an examination of the credit union operation as of the close of business on June 30, 2023. The overall financial condition of the credit union was found to be satisfactory, and general ledger accounts were found to be in balance, and member accounts were in proper order.

In October of 2023, the firm of Parks & Company PLC conducted an internal audit of the credit union operations as of the close of business on September 30, 2023. In this audit, general ledger accounts were found to be in balance and member accounts were in proper order.

In addition, in 2023, Parks & Company conducted an audit of ACH Transaction Processing and Bank Secrecy Act Compliance, as well as SAFE Act Compliance. In all of these audits, there were no major discrepancies found and all transactions were found to be in compliance with federal and state law.

Members of the Supervisory Committee believe, based on its programs and activities, that the Credit Union maintains a high level of internal control and has met the standards of safety and soundness required by its regulators.

The Supervisory Committee also conducted a complete Verification of Member Accounts as of June 30, 2024, as required by law. The Supervisory Committee has continued to engage professionals to perform required audits and procedures.

Respectfully,

Joanne Clowe

NOMINATING COMMITTEE

It is the duty of the nominating committee to nominate one or more nominees for each vacancy, including any unexpired term vacancy, for which elections are being held.

The slate of volunteers is presented to the membership and appointment by acclamation for another two- year term:

Board of Directors

Brian Taylor

Mike Anderson

Supervisory Committee

Joanne Clowe

*****VOTE FOR ONE (1) IN EACH POSITION ONLY*****

Board of Directors

Position 1

Brian Taylor

Write In _____

Position 2

Mike Anderson

Write In _____

Supervisory Committee

Position 1

Joanne Clowe

Write In _____