



2023

ANNUAL REPORT



USEagle[®]
FEDERAL CREDIT UNION

people mean more.[®]

From the Chair and President



To Our Valued US Eagle Members,

In the face of continued social and economic changes over the past year, US Eagle has remained steadfast. We extend our heartfelt gratitude for your unwavering trust and support in your Credit Union. Our success is a testament to the dedication of our loyal members, committed staff, and the communities we are privileged to serve.

Through every season of economic change, the focus never waivers from our members. We completed 2023 with assets of over 1.45 billion dollars. Our members saved an average of \$471 in 2023. Last year we paid \$14.3 million dollars in dividends to members which doubled over the prior year.

Community giving has always been and always will be an essential pillar to the credit union. ARNIA

Foundation invested just under \$370,000 into our communities through non-profit organizations, additional programs, and initiatives. We also contributed a total of \$57,000 to the METTLE Campaign, which directly funded two non-profit organizations who support and assist disabled New Mexican veterans.

Financial wellbeing goes hand in hand with our mission of *people mean more*®. We believe that every person is entitled to financial literacy resources, which we are proud to provide tailored solutions for. US Eagle has remained steadfast in our commitment to empowering individuals during every stage of their financial journey. By launching our Financial Wellbeing campaign this year, we have placed emphasis on providing resources to those who are unbanked, those who are wanting to increase their financial literacy knowledge, and for those that may be somewhere in between.

The opening of the Herrera Isleta branch is an important and exciting milestone for our members. The new branch is dedicated to the life and service of Kenneth E. Herrera, former Board Director of US Eagle. A fixture in the community and dedicated fighter for the members of the credit union, Kenneth Herrera served on the credit union's Board of Directors for 40 years (1981 – 2021) and championed the needs of the underserved and members of modest means. One of his passions was to ensure that US Eagle provide the South Valley neighborhood with the financial products and services they need and deserve.

In the realm of digital innovation, we've made significant strides to enhance member experience. Our modernized useagle.org website launched in June 2023, offering streamlined navigation for improved efficiency. Furthermore, the long-awaited Digital Banking conversion in November 2023 brought new tools and enhanced functionality to elevate your online banking experience.

With many exciting digital updates to our organization, we are also excited to announce our upcoming Credit Card conversion. We want to meet our members where they are. The new credit cards will not change how our members



use their card day-to-day but instead allow us to offer them more options to enhance their experience. Please keep an eye out for member communications on more information and details to come about this exciting change!

At US Eagle, diversity is at the core of our identity. With nearly 95,000 members hailing from diverse cultural backgrounds, each individual brings unique perspectives enriching our community. We value and celebrate this diversity, recognizing its role in fostering inclusivity and driving innovation.

As we look to the future, we are honored and grateful to you, our members and community. We thank you for your continued support and trust in US Eagle.

Sincerely,

Kevin McMahon
Chair of the Board of Directors

Marsha Majors
President and Chief Executive Officer

2023 Board of Directors



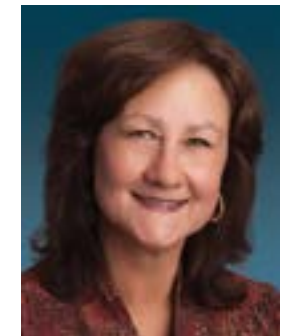
Kevin McMahon
Chair



Nancy K. Haines
1st Vice Chair



Pamelya Herndon
JD, CPA
Second Vice Chair



Mary Homan
Secretary



M. Reese Gateley
CPA
Financial Officer



Roger J. Salter
Director



Tazmin Ralph
Director

The Volunteer of the Year have been selected due to these demonstrated qualities:

Active involvement with a committee, event, or other volunteer service.

Demonstration of superior leadership in the development of new policies or procedures.

Exceptional service to the volunteer duties assigned and responsibilities undertaken.

Outstanding service to members and the community on behalf of US Eagle.



Roger Salter

Roger J. Salter has served as an active volunteer for US Eagle for 32 years serving in several roles, including: Board Advisor, Board Director, Board 1st Vice Chair, and Board Chair.

Roger served in the United States Navy and retired from a career as an insurance claims consultant.

He has chaired many committees during his time of volunteer service with the credit union. He has played a vital role in chairing the Growth, Acquisitions, and Merger Committee, Member Education Committee, Member Relations

Committee, and the Marketing Committee.

His passion for financial education has been prevalent in his direct work toward US Eagle's scholarship program and mentorship with the Junior Board of Directors program. The unique financial education programs he has spearheaded have immensely impacted US Eagle members and their financial goals.

US Eagle Federal Credit Union is proud to honor Roger Salter for his years of service.

Roger is retiring from his position as Board Director but will continue to provide his experience and advice to the Board and to US Eagle as Director Emeritus.

Advocacy

US Eagle works to preserve an environment in which credit unions not only exist but thrive.

Credit union advocacy allows our voices to resonate in the communities we serve, and as a member-owner, you have the power to BE A VOICE FOR YOUR CREDIT UNION.

Your Advocacy ensures that your voice is heard on important issues that could impact your financial life.

When we identify new or existing legislation that may affect your sound financial future and our ability to serve your needs, we'll let you know how you can join us to unite as a membership in raising awareness.

The Supervisory Committee is appointed by the Board of Directors to independently evaluate the safety and soundness of US Eagle Federal Credit Union's (US Eagle) operations by hiring an external auditor, guiding the Internal Audit Staff and reviewing the results of the audits performed throughout the year.

During 2023, the Committee and the Internal Audit Staff conducted numerous reviews of U.S. Eagle's operations and found them to be substantially in compliance with Credit Union policies established by your Board of Directors. Internal controls were also evaluated to ensure that controls are in place to protect you, the members, as well as those of the Credit Union, its management, and the employees. Based on the results of these reviews, the Committee is satisfied with the overall adequacy of these internal controls. We also have the responsibility for reviewing and evaluating the performance of elected Board Members and employees through internal and external audits and make appropriate recommendations for improvement as needed.

Additionally, US Eagle is examined annually by the National Credit Union Administration (NCUA), the regulatory agency for all federally-chartered credit unions and as required by NCUA, US Eagle is audited annually by an independent accounting firm. The Committee retained the services of a national, certified public accounting firm to perform the 2023 certified financial statement audit. The Credit Union received a clean opinion on that audit, which means the year-end financial statements have been properly prepared in accordance with Generally Accepted Accounting Principles.

During this time of increasing cybersecurity attacks, we continue to have an annual Information Technology Security audit performed to help ensure member data integrity.

The Committee members attend various Credit Union educational conferences, and other training to assist in the understanding of management controls and safeguarding member assets.

It is the opinion of your Supervisory Committee that the Credit Union's policies and procedures, as well as Management's practices, are sound. This opinion is based on the results of our internal audits, the independent external audit, and the NCUA Examination.

We believe the Credit Union's safety and soundness is a direct result of the Board of Directors' guidance and management's leadership. We extend our gratitude to the volunteers and staff for their ongoing commitment throughout the year.

Respectfully submitted,

Margaret L. Kraft,
Chair of the Supervisory Committee

Supervisory Committee Members

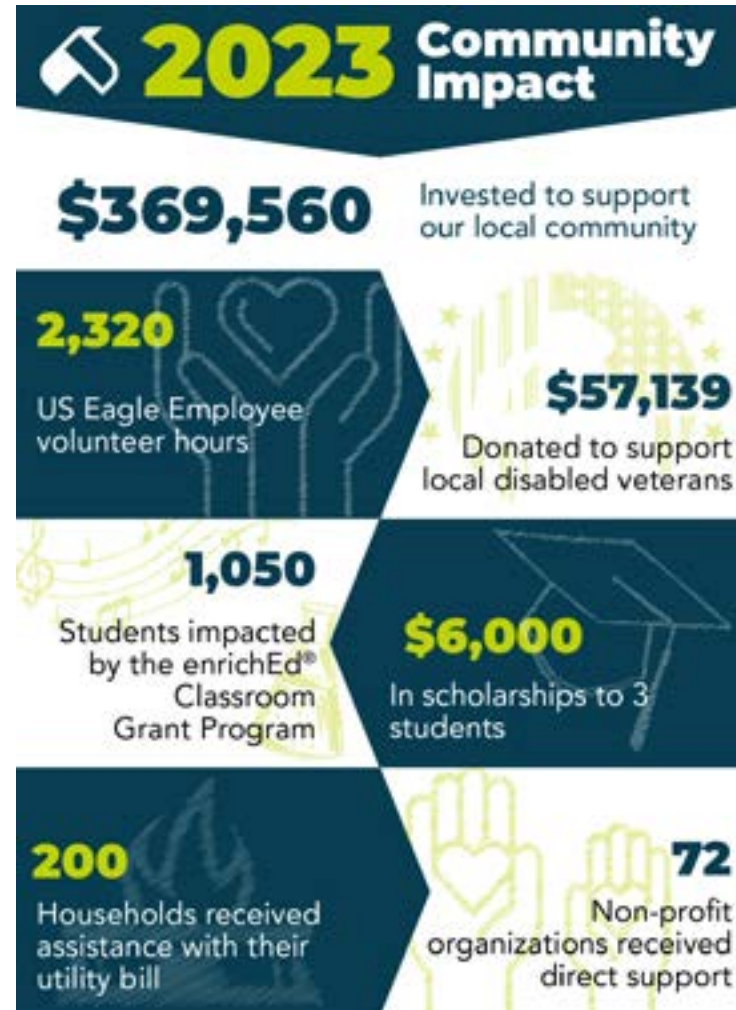
Margaret L. Kraft, Chair and Secretary
 Brandon Hill Haines, CPA, CFE, Member
 Loretta L. Crespin, Member
 Douglas C. Boyce, Member
 Lola M. Neudecker, CPA, CFE, CIA, Member
 Jesse Salazar, CPA, Associate

Consolidated Statements of Financial Condition

	Year End December 31,	
	2023	2022
ASSETS		
CURRENT ASSETS		
Cash and Cash Equivalents	\$ 51,967,652	\$ 63,462,773
Investments		
Trading	1,297,517	1,458,213
Available-for-sale, net of allowance for credit losses of \$16,427 and \$0	275,349,795	311,030,688
Held-to-maturity	6,045,777	9,154,200
Loans held-for-sale	-	222,835
Federal Home Loan Bank (FHLB) stock	1,029,100	620,000
Loans receivable	1,043,645,028	1,004,465,388
Allowance for credit losses	(13,271,286)	(9,087,734)
Net loans	1,030,373,742	995,377,654
Accrued interest receivable	4,683,098	4,138,766
Investments in CUSOs and other	2,308,347	2,405,060
Premises and equipment, net	33,547,151	31,063,859
Operating lease right-of-use assets	989,840	1,254,105
National Credit Union Share Insurance Fund deposit	12,532,006	12,491,954
Assets acquired in liquidation, net	1,579,230	622,364
Notes receivable - related party	14,771,038	14,532,564
Other assets	22,303,186	19,355,417
TOTAL ASSETS	\$ 1,458,777,479	\$ 1,467,190,452
LIABILITIES AND MEMBERS' EQUITY		
LIABILITIES		
Members' share and savings accounts	\$ 1,308,131,750	\$ 1,317,098,818
Operating lease liability	1,066,968	1,332,124
Accrued expenses and other liabilities	19,351,971	23,647,034
Total liabilities	1,328,550,689	1,342,077,976
MEMBERS' EQUITY		
Undivided earnings	156,110,779	156,620,658
Accumulated other comprehensive loss	(25,956,133)	(31,580,326)
Equity acquired in merger	72,144	72,144
Total members' equity	130,226,790	125,112,476
TOTAL LIABILITIES AND MEMBERS' EQUITY	\$ 1,458,777,479	\$ 1,467,190,452

Consolidated Statements of Income

	Year End December 31,	
	2023	2022
INTEREST INCOME		
Interest on loans receivable	\$ 53,401,554	\$ 42,457,117
Interest on investments	8,357,389	8,382,407
Total interest income	61,758,943	50,839,524
INTEREST EXPENSE		
Dividends on members' share and savings accounts	14,281,447	7,989,891
Total interest expense	14,281,447	7,989,891
NET INTEREST INCOME	47,477,496	42,849,633
Provision for credit losses, loans	4,454,843	2,474,000
Recapture for losses, investments	(168,192)	-
Recapture for unfunded commitment losses	(16,811)	-
NET INTEREST INCOME AFTER CREDIT LOSS EXPENSE	43,207,656	40,375,633
NON-INTEREST INCOME		
Fees and service charges	8,370,690	8,007,739
Other non-interest income	6,829,871	5,657,223
Gain on sale of non-mortgage loans	668,718	2,563,794
Gain on sale of mortgage loans, net	32,188	109,355
Total non-interest income	15,901,467	16,338,111
NON-INTEREST EXPENSE		
Compensation and employee benefits	28,429,978	24,051,813
Operations	10,884,076	9,418,528
Loan servicing	6,224,122	5,637,143
Occupancy	2,399,861	2,011,826
Education and promotion	2,716,050	2,906,609
Professional and outside services	3,881,391	2,769,483
Loss on disposition of assets acquired in liquidation, net	50,756	20,055
Realized and unrealized loss on trading investments	101,575	5,162
Realized loss on available-for-sale investments	2,359,841	228,542
Non-interest expense	57,047,650	47,049,161
NET INCOME	\$ 2,061,473	\$ 9,664,583



Last year, US Eagle employees logged 2,320 hours to help support our communities and invested over \$369,560 into our communities through non-profit organizations as well as our own programs and initiatives. We stepped up to assist with food distribution, meal delivery, blood donations, community clean-up, and more as well as served on Boards for several non-profit organizations.

The year-end summary highlights many of the initiatives your credit union took to provide financial support to our local community.

Rio Grande Food Project

The Rio Grande Food Project has been a valued partner of our Credit Union for many years. Beyond our pledge this year of \$10,000, every month employees volunteer to help with the food distribution, repackaging food, restocking shelves, and preparing food boxes.

Casa Esperanza

Casa Esperanza has been a Community Partner of US Eagle since 2005. Aside from monetary

donations, employees volunteer once a month to prepare meals for Casa's residents, serve on Casa's Board of Directors, and sponsor fundraising events.

Explora

Explora has been a Community Partner since 2020! As their financial literacy partner, US Eagle is not only playing a fundamental role financially but committed to mentoring the teens participating in the program as well as providing valuable quarterly workshops. Studio X officially opened its doors to youth in our community in February 2023.

Meals on Wheels

Every week US Eagle Employees deliver meals to the homebound to ensure Meals on Wheels clients receive needed nutrition with a friendly face. After a restricted volunteer calendar due to COVID-19, our employees were able resume to their regular schedule and distributed over 470 meals.



Credit unions are more than financial institutions; our higher purpose is to serve our members and enhance our communities.

In 2023, ARNIA Foundation became an associational common bond, allowing

individuals to qualify for membership at US Eagle. A lifetime membership at ARNIA Foundation is \$20, and new members joining through US Eagle receive a 50% donation coverage from the credit union. This makes joining the Foundation more accessible and provides an opportunity to contribute to its impactful initiatives.

A cornerstone initiative of the credit union's ARNIA Foundation is the Credit Union Survivor Alliance for Financial Empowerment, or CU SAFE, program, established to support Domestic Violence Resource Centers including one in Albuquerque. The aim of CU SAFE is to provide domestic violence survivors with the tools and resources they need to rebuild their lives.

Make a difference, become a member of ARNIA Foundation today. For more information, please visit useagle.org or reach out to Nadine Buerger at nbuerger@arniafoundation.org.

Volunteer of the Month

Beginning in 2022, the Volunteer Development Committee (VDC) has recognized a volunteer in the community each month. Volunteers were selected based on their hard work and the positive impact on their communities. As a thank you, and to recognize our 2023 volunteers, US Eagle has donated \$1,000 each to their designated 501(c)(3) non-profit organization, \$15,000 in total in 2023.

- Gila Valley Community Partners
- Rio Arriba County Fair Association
- Crossroads for Women
- Roadrunner Foodbank
- LifeQuest USA
- Promedica Hospice
- Upper Fruitland Honor Guard
- Court Appointed Special Advocates (CASA)
- Sandoval County Fire Dept.
- Veteran Affairs
- New Mexico Happy Scrappers/Quilts of Valor Foundation
- Companion Animal Rescue and Medical Assistance (CARMA)
- Nizhoni Smiles
- 4 Corners Down Syndrome Network
- St Michael & All Angels Parish



Herrera Isleta Branch

US Eagle opened its first South Valley branch at 3801 Isleta Blvd SW, Albuquerque, NM 87105.

This branch is named and dedicated for a former US Eagle board member, Ken Herrera.

This will be our second location to feature the new Interactive Teller Machine (ITM) and will also provide a fully Spanish-speaking staff to best support the needs of the community.

This newest branch continues to demonstrate our commitment to service excellence and the community. We are New Mexico's longest-standing, member-owned credit union for a reason. And that reason has always been putting you, our members, first.

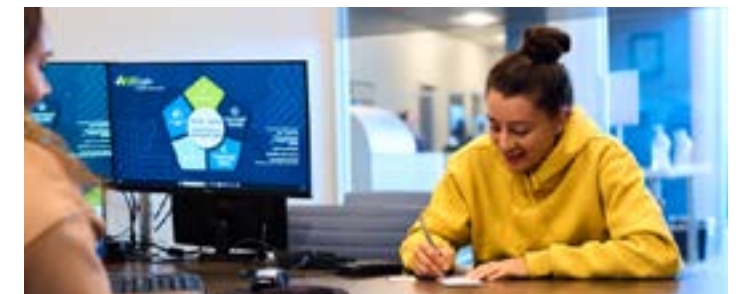


In the past year, US Eagle has remained steadfast in our commitment to empower individuals at every stage of their financial journey. We are dedicated to providing the financial education and the free tools necessary for everyone to reach their financial goals.

Why Financial Wellness Matters

It's not just about having more money. It's about making the most of the money you do have by finding balance and feeling confident in your financial decisions.

We are excited to be partnering with Olympic skateboarder Mariah Duran to bring more education surrounding financial wellbeing to our members, and those who should be!



Awards and Recognition



Forbes Best in State Credit Union

In 2023, US Eagle was recognized as one of New Mexico's Best Credit Unions by Forbes Magazine for the fifth consecutive year – the only credit union in New Mexico to do so. We were ranked #1 in Member Service. In collaboration with Statista Inc., Forbes made its selections based on an independent survey of more than 25,000 U.S. citizens. Thank you to our members for naming us one of New Mexico's best credit unions – you are the reason we are here!



Family Friendly Platinum Awardee

Our employees are one of our greatest assets, which is why we strive to make our credit union a great place to work. US Eagle has received the Platinum Award from Family Friendly New Mexico in recognition of our workplace policies surrounding Paid Leave, Health Support, Work Schedules, Economic Support, Pay Equity, Diversity and Inclusion, and Community Investment for the third year, and it continues a streak of recognition.

MISSION

To create a world where people matter more than numbers.

VISION

By adding SOUL - **S**incerity, **O**bjectivity, **U**rgency, **L**earning - and simplicity to the financial experience, we will create fiercely loyal members, deeply engaged employees, and thriving communities.



505-342-8888 | useagle.org

Albuquerque

5420 Academy Rd NE
7201 Menaul Blvd. NE
1955 Juan Tabo Blvd. NE
4411 Irving Blvd. NW
5201 Antequera NW
2500 12th Street NW
3801 Isleta Blvd SW

Bernalillo

53 Jemez Canyon Rd.

Farmington

5600 E. Main St.

Santa Fe

559 W. Cordova Rd.