

2022

ANNUAL REPORT



USEagle®
FEDERAL CREDIT UNION

people mean more.®

To Our Valued US Eagle Members,

The past year has been one with continued social and economic change, but US Eagle has remained steadfast in its growth and strength. We thank you for your continued trust and support in your Credit Union, as our success could only be accomplished by our loyal members, dedicated staff, and the communities in which we serve.

We are pleased to report a successful 2022 performance for US Eagle Federal Credit Union. We finished the year with assets of over 1.47 billion dollars, a 46 million increase from 2021. Our members also saved an average of \$844 in 2022.

We remain exceptionally proud of the continued community partnerships that the US Eagle ARNIA Foundation has supported and contributed to. Last year, we invested just under \$350,000 into our communities through non-profit organizations and through our own programs and initiatives. One of the Foundation’s year-long initiatives is our Mettle Campaign, which assists and supports disabled New Mexican Veterans. Through every purchase made with a US Eagle METAL Credit Card, a donation will be made directly to our partners at Paws & Stripes, and Veterans Integration Center.

Our Branch Growth Strategy to provide convenient and award-winning service to our members and those who should be, remains ongoing. In February 2023, we said a heartfelt goodbye to our Osuna location and opened our new full-service branch at 5420 Academy Rd NE. With the newest US Eagle location, we also introduced our Interactive Teller Machines, which gives members a personalized interaction with a live teller, in real-time, straight from the comfort of their car.



We remain grateful for each person’s unique experience and perspective, as that only enables us to further diversity, equity, and inclusion – overcoming challenges and unlocking innovation.

As we look to the future, we are honored and grateful to you, our members and community. We thank you for choosing US Eagle as your financial partner.

Sincerely,

Kevin McMahon

Kevin McMahon
Chair of the Board of Directors

Marsha Majors

Marsha Majors
President and Chief Executive Officer



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

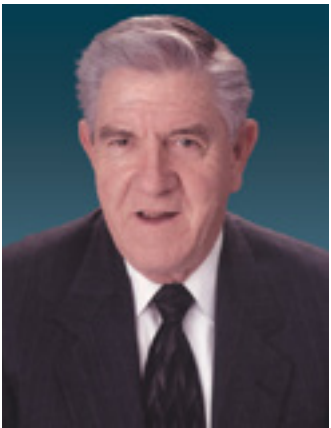


Roger J. Salter
Director



Daniel Gillispie
Director

Thank you, John Vale!



John Vale
Director Emeritus

John Vale is retiring from his position as Director Emeritus. He’s been volunteering his services to this credit union since 1974. That’s almost 50 years of dedication to our organization!

John’s contributions to US Eagle and our members include serving as Board Director, 1st Vice Chairperson, 2nd Vice Chairperson, Treasurer, Secretary, Chair of the Business Lending Committee, Chair of the Lending Committee, and serving on the Technology Committee, the Asset/Liability Committee, and Executive Committee. John also formed the Golden Eagles Association.

US Eagle and the entire New Mexico credit union community have benefited greatly through John’s service. We all wish John great health and happiness in his future endeavors.

The Volunteer’s 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.



Brandon Hill Haines

Mr. Haines has served on the Supervisory Committee since 1989, and in 1992 he was appointed as Chair of the Supervisory Committee where he served in this position for a majority of this period until 2005. As part of the Supervisory Committee, Mr. Haines evaluates US Eagle’s policies and procedures and recommends revisions to increase the safety, soundness and effectiveness of US Eagle. In 2012, Mr. Haines was honored by the Credit Union with the Distinguished Volunteer Award in recognition for consistently demonstrating leadership, service, and passion for excellence. In addition, Mr. Haines has volunteered for numerous non-profit organizations such as the New Mexico Society of Certified Public Accountants Quality Review Committee, the State Bar of New Mexico, the Institute of Internal Auditors, the Colorado State Society of Certified Public Accountants, the Institute of Managerial Accountants, the University of New Mexico and New Mexico State University to name a few.

Nancy Haines

Nancy gives without question to US Eagle. She has served as Board Chair for the Credit Union and currently chairs the Governance Committee, serves on Policy and Bylaw Committee, and is 1st Vice Chair for the Board. She has a willingness to help, strives to learn where the Credit Union can be stronger, and ensures all committee members are heard. Nancy develops precise and accurate policies that comply with federal regulations as well as policies and charters specific to US Eagle. When she is involved in a Credit Union activity or responsibility there is steadfast dedication to the members and the overall success of the Credit Union itself. Such dedication can only come with a caring approach and by putting mission accomplishment before personal need.



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.

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 2022 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.

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 Report.

The Supervisory Committee appreciates Fred Moore for his seventeen years of service on the Supervisory Committee and we wish him well in his future endeavors. In 2023, Jesse Salazar, has been appointed to the Supervisory Committee as an alternate member.

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, Alternate Member

Consolidated Statements of Financial Condition

Consolidated Statements of Income

U.S. EAGLE FEDERAL CREDIT UNION

CONSOLIDATED STATEMENTS OF FINANCIAL CONDITION

	Year End December 31	
	2022	2021
ASSETS		
Cash and Cash Equivalents	\$ 63,462,773	\$ 122,957,156
Investments		
Trading	1,458,213	1,682,056
Available-for-sale	311,030,688	273,142,663
Held-to-maturity	9,154,200	13,898,987
Loans held-for-sale	222,835	1,191,677
Federal Home Loan Bank (FHLB) stock	620,000	4,629,100
Loans receivable, net of allowance for loan losses	995,377,654	923,949,353
Accrued interest receivable	4,138,766	3,263,906
Investments in CUSOs and other	2,405,060	2,361,527
Premises and equipment, net	31,063,859	25,389,098
Operating lease right-of-use assets	1,254,105	-
National Credit Union Share Insurance Fund deposit	12,491,954	11,497,851
Assets acquired in liquidation, net	622,364	588,007
Notes receivable - related party	14,532,564	15,934,422
Other assets	19,355,417	20,307,822
TOTAL ASSETS	\$ 1,467,190,452	\$ 1,420,793,625
LIABILITIES AND MEMBERS' EQUITY		
LIABILITIES		
Members' share and savings accounts	\$ 1,317,098,818	\$ 1,261,081,402
Operating lease liability	1,332,124	-
Accrued expenses and other liabilities	23,647,034	13,412,146
Total liabilities	1,342,077,976	1,274,493,548
COMMITMENTS AND CONTINGENCIES (NOTE 8)		
MEMBERS' EQUITY		
Regular reserve	7,361,395	7,361,395
Undivided earnings	149,259,263	139,594,680
Accumulated other comprehensive loss	(31,580,326)	(728,142)
Equity acquired in merger	72,144	72,144
Total members' equity	125,112,476	146,300,077
TOTAL LIABILITIES AND MEMBERS' EQUITY	\$ 1,467,190,452	\$ 1,420,793,625

U.S. EAGLE FEDERAL CREDIT UNION

CONSOLIDATED STATEMENTS OF INCOME

	Year End December 31	
	2022	2021
INTEREST INCOME		
Interest on loans receivable	\$ 42,457,117	\$ 40,826,146
Interest on investments	8,382,407	4,146,957
Total interest income	50,839,524	44,973,103
INTEREST EXPENSE		
Dividends on members' share and savings accounts	7,989,891	7,159,463
Total interest expense	7,989,891	7,159,463
NET INTEREST INCOME	42,849,633	37,813,640
LOAN PROVISION		
Provision for loan losses	2,474,000	870,000
Total loan provision	2,474,000	870,000
NET INTEREST INCOME AFTER LOAN PROVISION	40,375,633	36,943,640
NON-INTEREST INCOME		
Fees and service charges	8,007,739	8,808,717
Other non-interest income	5,657,223	5,424,699
Gain on sale of non-mortgage loans	2,563,794	4,935,625
Realized and unrealized (loss) gain on trading investments	(5,162)	189,852
Realized (loss) gain on available-for-sale investments	(228,542)	27,578
Gain on sale of mortgage loans, net	109,355	1,516,384
Gain on disposition of premises and equipment	-	48,317
Total non-interest income	16,104,407	20,951,172
NON-INTEREST EXPENSE		
Compensation and employee benefits	24,051,813	21,155,960
Operations	9,418,528	7,465,687
Loan servicing	5,637,143	4,514,334
Occupancy	2,011,826	1,909,878
Education and promotion	2,906,609	2,439,691
Professional and outside services	2,769,483	2,378,985
Loss on disposition of assets acquired in liquidation, net	20,055	114,052
Non-interest expense	46,815,457	39,978,587
NET INCOME	\$ 9,664,583	\$ 17,916,225

Last year, US Eagle employees logged 1,086 hours to help support our communities and invested over \$349,118 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

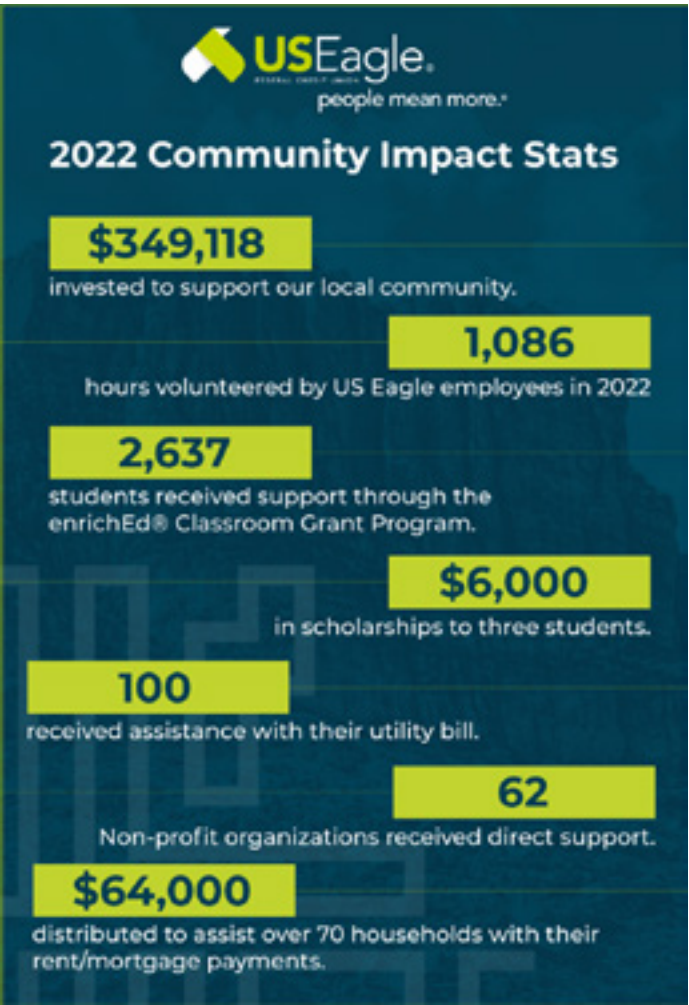
Casa Esperanza has been a Community Partner of US Eagle since 2005. Aside from monetary donations, employees volunteer once a month to prepare meals for Casa’s residents.

Explora

Our newest Community Partner since 2020! As their premier 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.



METTLE

US Eagle does several things to recognize and support veterans in our community, including:

- Wearing patriotic shirts on holidays honoring the men and women who served our country.
- Offering several, universal lending programs.
- Launching the Honoring our Heroes campaign that offers free meals to veterans on Veterans Day, plus reduced meals on Patriot Day and 4th of July.



But we saw the need to do more, and our METTLE campaign is centered around this.

Throughout 2023, US Eagle will make a donation for every purchase made with a US Eagle METAL Credit Card to support disabled veterans in our state through partnerships with Paws & Stripes and the Veterans Integration Centers.

Volunteer of the Month

Beginning in 2022, the Volunteer Development Committee (VDC) 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 2022 volunteers, US Eagle has donated \$1,000 each to their designated 501(c)(3) non-profit organization.

- Gear Club
- Los Amigos Del Valle Do Mora
- Umoja ABQ
- WHEELS Museum
- Fundamental Needs
- AWOL Angler
- TARA Food Pantry



Academy Branch

Our state-of-the-art facility at 5420 Academy Rd NE opened it's doors to members on February 14, 2023! This new location is conveniently located just minutes from the Osuna location it replaced.

Academy is the home of our first Video Teller (also known as an Interactive Teller Machine, or ITM). So what's a Video Teller? You can speak and interact with a live teller, in real-time, from your car and conduct many of the same transactions as you would inside the branch. Think of it as 'drive-thru service with video'. So, instead of interacting with a machine, you'll get the personalized attention you deserve.

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.



Forbes Best in State Credit Union

In 2022, US Eagle was recognized as one of New Mexico's Best Credit Unions by Forbes Magazine for the fourth consecutive year – the only credit union in New Mexico to do so. 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, Heath Support, Work Schedules, Economic Support, Pay Equity, Diversity and Inclusion, and Community Investment for the second year, and it continues a streak of recognition; having received Gold Level status since 2017.



The Paper's Best In Albuquerque

US Eagle was also recently recognized as one of The Paper's "Best in Albuquerque" recipients for its dedication to top-notch service.



African American Credit Union Hall of Fame

Both Marsha Majors, US Eagle President & CEO and Pamelya Herndon, US Eagle Board of Directors, Second Vice-Chair, were inducted into the African American Credit Union Hall of Fame during the 24th Annual AACUC Conference. This well-deserved recognition observes their devotion to the credit union philosophy of 'people helping people' as well as their commitment to serving and improving communities of color and the underserved.

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

Bernalillo

53 Jemez Canyon Rd.

Farmington

5600 E. Main St.

Santa Fe

559 W. Cordova Rd.