



'YOUR FAMILY-ORIENTED FINANCIAL
FRIEND'



68th ANNUAL MEMBERSHIP
MEETING
April 19, 2022



WELCOME

Welcome to the **68th Annual Meeting** of Caprock Santa Fe Credit Union. We represent a cooperative founded in 1954 by a few far-sighted individuals who joined together to organize a financial institution where people of a common bond, employees of the Santa Fe Railway Company, could pool their funds and their talents to help other people. The field of membership was expanded in 1988 and now includes members from over 90 other sponsors. The premise of the credit union movement is "people-helping-people." This is what makes us unique. Because we are member-owned and member-run, all of our members are equally important, not just a few stockholders. Our concept is reflected in our motto, "Not for Profit, Not for Charity, But for Service."

Known for years as a "**family-oriented, financial friend**," Caprock Santa Fe Credit Union decided to adopt an additional slogan, "**In Touch With You—and Your Family, Too!**" Both emphasize the importance of the entire family in our field of membership. Family is interpreted as anyone having a connection by blood or marriage. As a family financial institution, we are committed to providing quality service to every person in the family from the youngest to the oldest.

OUR PURPOSE STATEMENT

The purpose of Caprock Santa Fe Credit Union is to promote the financial well-being of our entire membership in as many ways as feasibly possible.

OUR MISSION STATEMENT

The mission of Caprock Santa Fe Credit Union is to serve our membership by providing:

- *Stability
- *Member driven services
- *Competitive rates and reasonable fees
- *Personalized service
- *Technical advances in tune with the times that expand and enhance services.

OUR VISION STATEMENT

The vision of Caprock Santa Fe Credit union is to advance the quality of life of those within our field of membership by providing needed financial services for the entire family in an economical, efficient and effective manner.

CAPROCK SANTA FE CREDIT UNION

CREDIT UNION STATEMENT OF COMMITMENT TO MEMBERS

April 2022

Caprock Santa Fe Credit Union is a member-owned not-for-profit financial cooperative that's sole purpose is to serve its members regardless of social or economic status. We are committed to the promotion of the financial well-being of our entire membership in as many ways as feasibly possible by providing stability, member-driven services, competitive rates, reasonable fees, personal service and technical advances that enhance and expand services. We will treat our members with dignity and respect and will provide services for the entire family in an economical, efficient and effective manner. As a member of our community we will participate in programs that favorably affect the community and its citizens, and we will to the fullest extent possible seek solutions to its social problems and concerns. As a member of the credit union movement, we will join with others in a cooperative spirit to insure that the movement as a whole remains strong and that the rights of our members remain in tact.

We will use meaningful communication methods to keep members, potential members, legislators, regulators and the Slaton community informed of our services so that they will understand and appreciate the unique role that we -- as locally owned, member-owned financial cooperatives -- play in their lives.

Throughout Caprock Santa Fe Credit Union's strategic plan, we will put forth every effort to enable our members to become financially self-sufficient and successful. We will place high importance on consumer education and the teaching of financial thrift.

This Statement of Commitment to Members is consistent with our credit union principles of "Not For Profit, Not For Charity, But For Service" and our philosophy of "People Helping People." This statement represents good business practices that ensure the financial strength of our credit union on behalf of our members.

Section 1: Service to Members

Caprock Santa Fe Credit Union strives to offer a wide range of services designed to improve the economic and social well-being of all members from the very youngest to the oldest. We pride ourselves on being a "family oriented financial friend--where lifetime relationships begin." We want to be "number one" when it comes to member loyalty.

We currently offer the following products and services:

- * Fast, friendly, convenient service
- * Down home atmosphere where members are treated like family
- * Savings accounts
- * GEM checking accounts
- * Visa Debit/ATM Cards

- * Money Orders
- * Check copies
- * Cash Management (Money Market) account
- * Traditional IRA accounts
- * Certificates of Deposit
- * Critter Club (ages 1 day - 6 years)
- * Critter Club II (ages 7 - 10 years)
- * Junior Hi Club (ages 11 - 13 years)
- * Senior Hi Club (ages 14 - 17 years)
- * College Bound (ages 18 -22 years)
- * Organizational accounts
- * Direct Deposit of government and payroll checks
- * Night Depository
- * ACH credits and Debits and ACH Origination
- * Wire transfers
- * Western Union
- * Payroll Deduction
- * MasterCard Gold
- * Personal and Line of Credit loans
- * Small balance personal loans
- * Risk based pricing on loans
- * Collateralized loans (Any on-the-road vehicle less than 12 years old)
- * Member paid single life and single disability insurance
- * Financial/Budget counseling
- * Accidental Dismemberment and Death Insurance up to \$1,000 at no cost
- * Notary, FAX and copy services available at no or minimal cost
- * GAP insurance
- * Mexico travel insurance
- * Rt. 66 Extended Warranty Insurance

Section II: Member Education

Caprock Santa Fe Credit Union is committed to member and consumer financial education. In addition, we are committed to educating members and consumers, alike, about credit union uniqueness, philosophy and values.

Current Programs that Support Member Education and Advocacy:

- * **"Quarterly Opportunities"** – Our newsletter informing members of events, opportunities and educational information.
- * **www.CSFCU.com** -- Our informational website explaining our uniqueness, our objectives, our services and our field of membership.
- * **Seminars & individual counseling** are designed to help members understand checking accounts, to develop budgets and to do simple financial planning.
- * **Trick-or-Treat** – Halloween Bags given to children.

- * **Open Houses** -- International Credit Union Day and Christmas provide opportunities to inform our members of the uniqueness of credit union membership through fellowship.
- * **Annual Easter Event** -- We utilize this event to introduce children to our youth clubs and to get their foot in the door to systematic savings at an early age.
- * **Quarterly Member Appreciation Drawing** -- Our members put their name in drawing each time they come into the office or send it by mail. Attention is drawn to a new service each quarter and if member is selected, a monetary prize is given for each different type of account held in the credit union.
- * **Hidden Number Contest** is used as an incentive to get members to read quarterly newsletter.

Section III: Involvement/Governance

Caprock Santa Fe Credit Union endeavors to preserve credit union democratic principles, including demographic representation and volunteer participation in credit union activities.

We are currently addressing this as follows:

- * **Board elections** -- Elections are held in April of each year at our Annual Meeting. Meeting is mentioned in January newsletter and an article appears in the April newsletter. An ad is published in the local paper prior to the meeting announcing the time and place. Reminders are placed on receipts.
- * **Limited Board terms** -- Board members are limited to serving two consecutive terms to encourage new volunteers to serve.
- * **Committees** -- The board of directors appoints ten committees to assist the board in determining the direction of affairs of the credit union. These committees consist of board members and non board volunteers.

Section IV: Diversity

Caprock Santa Fe Credit Union will operate as a democratically controlled, member-owned cooperative by focusing management, staff and volunteers on diversity in the leadership and staff of the credit union.

We are currently addressing the above as follows:

- * **Demographic Study** -- in preparing for annual Strategic Planning meeting, we do a demographic study by age to determine how we can best serve our membership.
- * **Nominating Committee** -- Committee is also asked to seek candidates from all SEGS and not just main sponsor. Current 9 man board represents several employee groups.
- * **Equal Employment Opportunity** -- Caprock Santa Fe Credit Union seeks out volunteers, staff and management that reflect the diversity of our membership.

Section V: Commitment to the Credit Union Movement and other Cooperative Activities

Caprock Santa Fe Credit Union will work to build and strengthen a unique credit union movement by providing financial and in-kind resources throughout the credit union community, and by actively advocating the credit union difference at all levels of government and in other appropriate public forums.

We are currently doing the following:

- * **Chapter involvement** – Our staff and volunteers are encouraged to participate on a regular basis in chapter activities. Our credit union consistently provides an officer and participates in cooperative chapter events such as newspaper advertising campaigns, Lubbock Chamber of Commerce Business Exposition and billboard advertising.
- * **Political Activity** – Credit union members are made aware of the importance of being heard and of supporting candidates that support the credit union movement. We have participated actively in all grass roots movements supported by the CCUL by sending letters and participating in meetings and Webinars.
- * **America's Credit Union Museum, Filene Research Council, Credit Union House, Cornerstone Credit Union Foundation** – Our credit union has provided monetary support each year to these worthwhile credit union organizations and programs.

Section VI: Public Service/Corporate Citizenship

Caprock Santa Fe Credit Union will strive to be an active partner in the community and its field of membership in ways that will enhance economic and social well-being.

- * **Community support** -- Each year the credit union budgets to support many organizations in our community, including but not limited to:
 - 1) Youth events such as Little Dribblers, T-Ball teams, Stock Shows, Football and basketball events, and summer leagues.
 - 2) Chamber events such as Ag & Commerce Banquet, July 4th celebration at the park, Annual Chamber Awards Banquet, and others as developed.
 - 3) Charitable organizations such as United Way, Children's Miracle Network, Lions Club, Meals on Wheels and Senior Citizens Center.
- * **Public Service** -- The CEO and other staff participate in community organizations as a means of promoting the good will of the credit union within the community including but not limited to:
 - 1) Providing programs for various civic groups and clubs when requested.
 - 2) Serving as Director of the Slaton Chamber of Commerce
 - 3) Serving as Director of the Housing and Urban Development
 - 4) Serving as Director of the Railroad Heritage Association
 - 5) Serving as Director of the Slaton Area Endowment

BOARD OF DIRECTORS

4/20/21 - 4/19/22

*W. D. Sims, chairman (2022)

Mickey Cole, vice-chairman (2024)

Juanita Heathington, secretary/treasurer (2022)

Mike Green (2022)

Angela Polk (2023)

W. L. Rice (2023)

Darlene Jones (2024)

Keith Creager (2023)

Paula Miller (2024)

*term expired

AUDIT COMMITTEE

Juanita Heathington

Angela Polk

Janie Westbrook

NOMINATING COMMITTEE

Donnetta Lines

Jacob Parker

Rodney Simmons

DELINQUENCY COMMITTEE

Dana Boyd, Collections

Deborah Pickens

Mike Green

Keith Creager

CREDIT UNION STAFF

Ann Marie Wright, President, 15 yrs. hired 1/01/07

Deborah Pickens, Loan Manager, 34 yrs. hired 7/18/88

Tammy Cook, Loan Officer, 12 yrs. hired 5/10/10

Rachel Rodriguez, Loan Officer, 6 yrs. hired 6/08/2016

Cindy Clark, Adm. Assistant, 8 yrs. hired 12/01/14

Sharon McCarty, Collections, 10 yrs. hired 3/19/12

Caleigh Sue, Member Services Manager, 12 yrs. hired 7/06/10

Jeannie Cisneros, Head Teller, 10 yrs. hired 1/27/12

Dana Boyd, Collections Manager 5 yr. hired 3/06/2017

Sylvia Torres, Teller 2 yr. hired 2/10/2020

Jade Johnson, Member Services 2 yr. hired 2/18/2020

CAPROCK SANTA FE CREDIT UNION
P. O. Box 100 * 405 Railroad Avenue
Slaton, Texas 79364

68th Annual Meeting
April 19, 2022

AGENDA

Official Registration

Refreshments

Call to Order

Ascertain Quorum Present

Reading of Minutes
(67rd Annual Meeting, April 20, 2021)

Introductions

Presentation of 2021 Annual Report
Question and Answer Session

Unfinished Business

New Business Other Than Election

Election of Directors

Door Prizes

Adjournment

CAPROCK SANTA FE CREDIT UNION

405 Railroad Ave * PO Box 100

Slaton, TX 79364-0100

PHONE 806-828-5825 FAX 806-828-3534

Email: csfcu@crosswind.net Internet Address: www.csfcu.com

67th Annual Membership Meeting

April 20, 2021

The 67th Annual Meeting was called to order by Vice-Chairman of the Board Mickey Cole at 5:14 pm. Vice-Chairman Cole stated the Chairman of the Board, Rodney Simmons could not be in attendance this evening.

Each member attending received a small bag of treats as a gift along with the Annual Meeting Booklet.

Vice-Chairman Cole asked Ann Marie Wright, President if a quorum was present. President Wright stated that a quorum was present.

Vice-Chairman Cole asked if everyone had a chance to read the minutes. Janie Westbrook moved to accept the minutes as presented. Second by Lee Rice. Motion carried.

Vice-Chairman Cole welcomed everyone to the meeting. She thanked the members for coming out today to celebrate the terrific job the staff and fellow board members had done during the past year with the pandemic. She also stated the Credit Union had made many adjustments, including the addition of the second drive-thru lane to keep our member service fast and efficient.

Vice-Chairman Cole handed the meeting over to President Wright. She introduced the Board members; W. D. Sims, Mike Green, Mickey Cole, Juanita Heathington, Lee Rice, Keith Creager and Angela Polk. Rodney Simmons and Kenneth Winchester were absent. President Wright thanked Rodney and Kenneth for their service to the Credit Union for the past six years plus. She also thanked them for their leadership roles and work done closely with the staff this past year during the pandemic.

Next President Wright introduced the staff; Collections Department: Sharon McCarty, Cindy Clark and Collections Manager Dana Boyd. Loan Department: Rachel Rodriguez, Tammy Cook, and Department Manager, Deborah Pickens. Member Services Department: Rose Eakin, Jade Johnson, Sylvia Torres, Jeannie Cisneros and Department Manager Caleigh Sue. She also discussed the many possibilities the staff had worked through in 2020. The staff stepped up and handled those possibilities keeping member service our #1 priority.

President Wright discussed the financial statements and how much the Credit Union had grown the past year during the pandemic. She asked if there were any questions regarding the 2020 Annual Report. With there being none, she turned the meeting back over to Vice-Chairman Cole.

Vice-Chairman Cole asked for any unfinished business? There was none.

Vice-Chairman Cole asked for any new business other than the election of directors? There was none.

The members of those nominated by the nominating committee were introduced by Vice-Chairman Cole – Darlene Jones and Paula Miller. Vice-Chairman Cole asked if there were any other nominations. There were none. Janie Westbrook moved Darlene Jones, Paula

Miller and Mickey Cole be elected to the board of directors by acclamation. Second by Deborah Pickens. Motion carried.

President Wright then drew tickets for the door prizes donated by various businesses in town.

Vice-Chairman Cole adjourned the meeting at 5:52 pm.

Chairman


Secretary/Treasurer

CAPROCK SANTA FE CREDIT UNION				
	Statement of Condition		Year Ended 12/31/21	
INCOME		2019	2020	2021
	Interest on Loans	\$1,698,576	\$1,688,719	\$1,592,816
	Interest on Investments	445,449	265,819	189,124
	Fee Income	278,171	228,828	214,747
	Other Income	128,290	210,858	220,425
TOTAL INCOME		\$2,550,536	\$2,394,224	\$2,209,112
OPERATING EXP	Employee Salaries	\$438,917	\$435,279	\$428,184
	Employee Benefits	207,290	224,869	237,875
	Travel & Con	947	2,960	1,420
	Office Occupancy	64,692	64,947	68,065
	Office Operations	178,277	168,363	164,210
	Educ & Promotion	24,244	21,936	21,112
	Loan Servicing	44,892	66,211	62,521
	Prof & Outside	47,185	49,820	51,250
	Member Insurance	0	0	0
	Oper Exp - Exams	8,587	9,118	8,275
	Miscellaneous	20,651	25,894	24,713
TOTAL OPR EXP		\$1,035,682	\$1,069,397	\$1,067,625
	Dividend Expense	\$211,145	\$254,909	\$154,491
	Req. Reserve Transfer	0	0	0
	Required PLL Transfer	\$306,229	\$178,385	\$49,701
TOTAL EXPENSE		\$1,553,056	\$1,502,691	\$1,271,817
NET INCOME (LOSS)		\$997,480	\$891,533	\$937,295
TRANSFERS	UDE	\$997,480	\$891,533	\$937,295

BALANCE SHEET				
ASSETS		2019	2020	2021
	Cash	\$10,133,525	\$16,237,485	\$16,350,141
	Loans	19,626,099	18,443,605	17,704,613
	Allow Loan Losses	(500,896)	(456,581)	(385,322)
	Investment	12,898,384	14,634,320	17,950,374
	Land & Building	482,919	540,255	448,814
	Other Assets	200,862	126,036	184,456
TOTAL		\$42,840,893	\$49,525,120	\$52,253,076
LIABILITIES				
	Dividends & Int.	\$39,285	\$43,453	\$20,296
	Other Liabilities	130,970	338,180	262,357
MEMBER EQUITY				
	Shares	27,363,684	32,944,999	34,834,641
	Reserves	371,287	371,287	371,287
	Undivided Earnings	14,935,667	15,827,201	16,764,495
TOTAL		\$42,840,893	\$49,525,120	\$52,253,076



BOARD OF DIRECTORS REPORT

I would like to welcome everyone to our 68th Annual Meeting of Caprock Santa Fe Credit Union. During 2021 our year ended as a very productive year. The Credit Union continues to offer efficient service to our members. This year I am celebrating 30 years of being a member of Caprock Santa Fe Credit Union! I cannot believe it. The staff has always been helpful with all my transactions when I go into the lobby. As a member, I have appreciated the service with a smile attitude the Credit Union offers. They also offer manageable rates on loans and higher than peer rates on savings accounts. Yes, I wish the Credit Union would've offered higher savings rates this past year! I did the best I could. I am thankful to the Credit Union for putting its members first. I continued their philosophy of people helping people because that is truly what the Credit Union is.....*people helping people!*

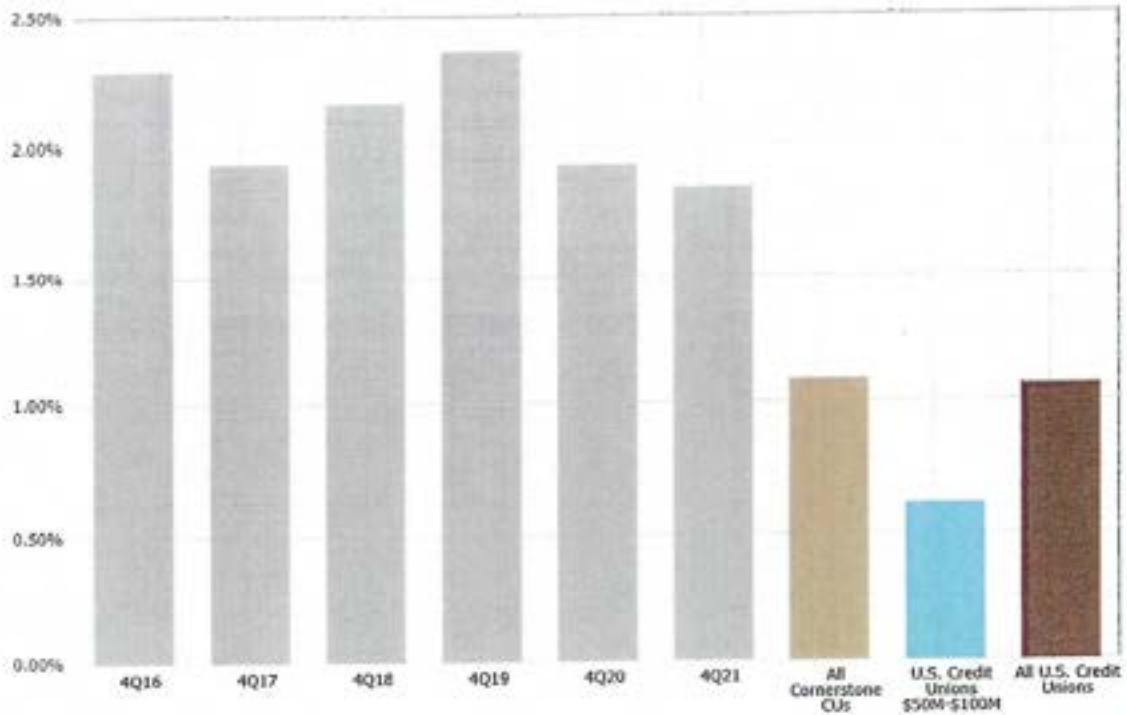
For the year 2021, our Credit Union posted better than expected numbers. Caprock Santa Fe Credit Union is very strong and was able to add to our capital in 2021. Our solvency ratio as of December 31, 2021 was 149.192% vs. 149.168% in December 2020. Our net capital to asset ratio was at 35.794% at the end of December 2021 vs. 32.708% at the end of December 2020. A ratio above 7% is considered well capitalized. Our loan department continued to help people during the pandemic. We ended with \$17,704,614 in loans vs. \$18,443,605 in outstanding loans at the end of December 2020. Loan income was \$1,573,579. This allowed us to move \$937,295 into undivided earnings in 2021. Our net return on assets ratio was at 1.803% in December 2021 vs. 1.935% in December 2020. Please also look at the Loan Department report, the Collections Department report and the Member Services Department report for a closer look at the numbers.

It has been a pleasure to serve as your Chairman of the Board of Directors this past year. I have enjoyed working together with Mickey and Juanita on the Executive Committee. Thank you for keeping me focused during our Board meetings. I would personally like to thank the other Directors on the Board for the time and knowledge they gave to the Credit Union to make 2021 a very successful, productive year. People Helping People is the Credit Union way of doing business. It is alive and well here in our Slaton community. I look forward to watching, from afar, the Credit Union have another successful year in 2022 as I am once again retiring from the Board of Directors.

Thank you,

W.D. Sims, Chairman

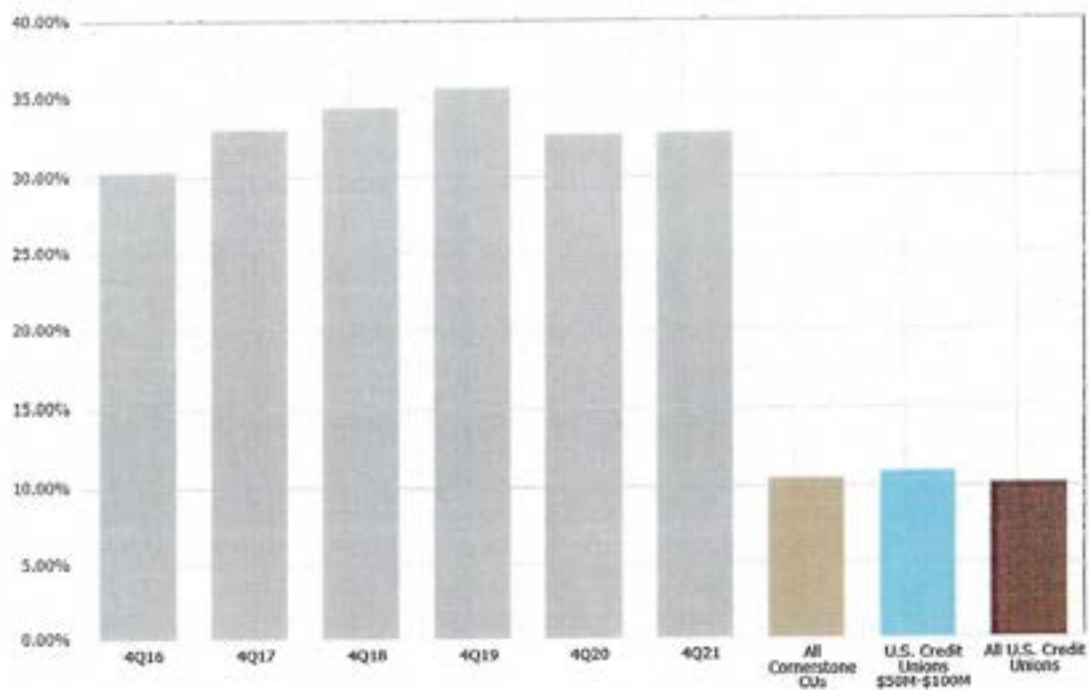
Return on Assets (ROA)/ATA - Caprock Santa Fe (Dec. 31, 2021)



Source: Callahan & Associates



Net Worth/TA - Caprock Santa Fe (Dec. 31, 2021)



Source: Callahan & Associates



PRESIDENT'S REPORT

Hello, hello, hello everyone and welcome to the 68th Annual Membership Meeting for Caprock Santa Fe Credit Union. During 2021 we continued to work through another year of the pandemic. Our members enjoy most of the changes we made in 2020, including the second drive-thru lane and calling ahead for their money orders and cash withdrawals. Both of these changes were positive for us and our members. These changes helped us to still offer the fast and convenient service our members have known and trusted for many years. This leads us to how we would describe our year – **Reliable**. Each and every member found out how **reliable** we are when changes come upon us. Our members **rely on** us to be here when they need us. Our staff personally answers each and every phone call, no voice automation here. It is you, our member, who is most important to us.

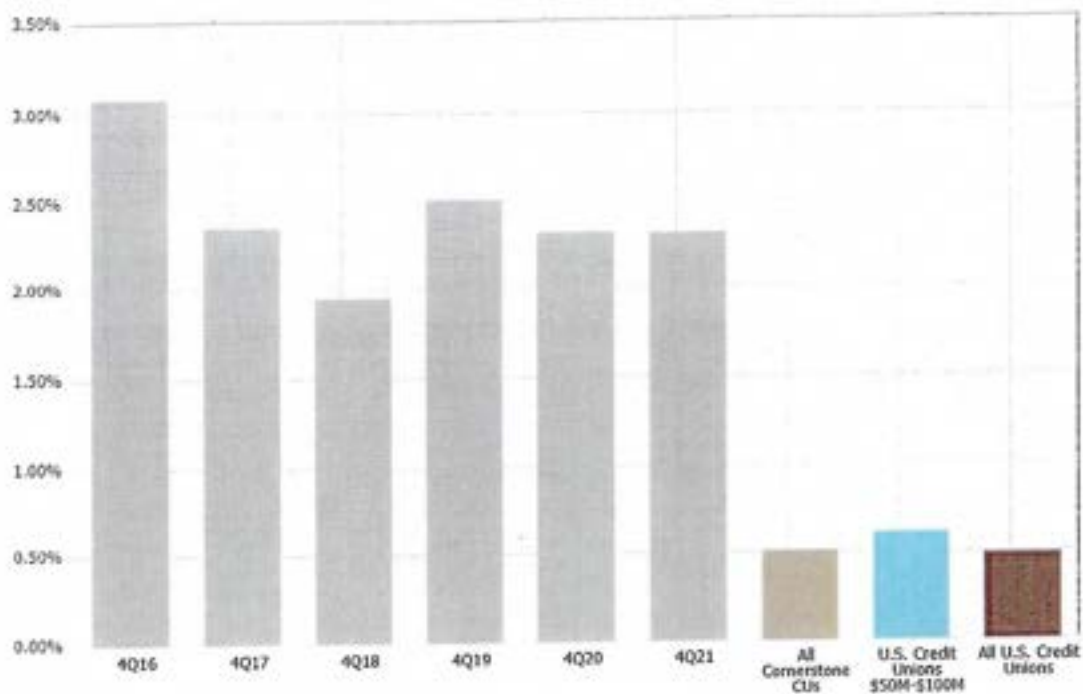
We ended the 2021 year serving 4,657 members vs. 4,659 members at the end of 2020. Our assets were higher at \$52,253,077 in 2021 vs. \$49,525,120 in December 2020. In 2021 our loans decreased to \$17,704,614 from \$18,443,605. Our savings increased to \$34,834,641 in December 2021 vs. \$32,944,999 in December 2020. The increase in savings shows our members continue to **rely on** us for a safe place to hold their funds. We were able to move over \$937,295 to undivided earnings for the year vs. \$891,533 for 2020. Our financial goals for 2021 were a capital to asset ratio above 10%, delinquency ratio below 3% and net return on assets ratio at 1.5% or higher. We ended the year with a capital to asset ratio of 32.794%, delinquency ratio of 2.307%, and a net return on assets at 1.803%. The capital ratio and return on assets are both very positive ratios and show the Credit Union is able to hold a strong position. In 2021 the Credit Union was able to achieve all of our goals. Enclosed are our Financial Statements for a year to year comparison, you are encouraged to take a closer look at all the numbers.

Along with the staff, you, our members also **rely on** our Board of Directors. It is the commitment and the desire of the Board of Directors to move the Credit Union forward. Our access to online and mobile apps helps us stay engaged with our members and we want you, our member, to take advantage of all of our resources. The Board of Directors wants this Credit Union to be your first choice when making financial decisions. I want to thank the Board of Directors for their time in 2021. We have a team of talented professionals who work every single day with one objective: to help you meet your financial goals. Call one of our loan officers with questions about vehicle loans or personal loans. Thank you for the honor of serving as your President, I look forward to our continued success in 2022!!

Respectfully Submitted,

Ann Marie Wright, President

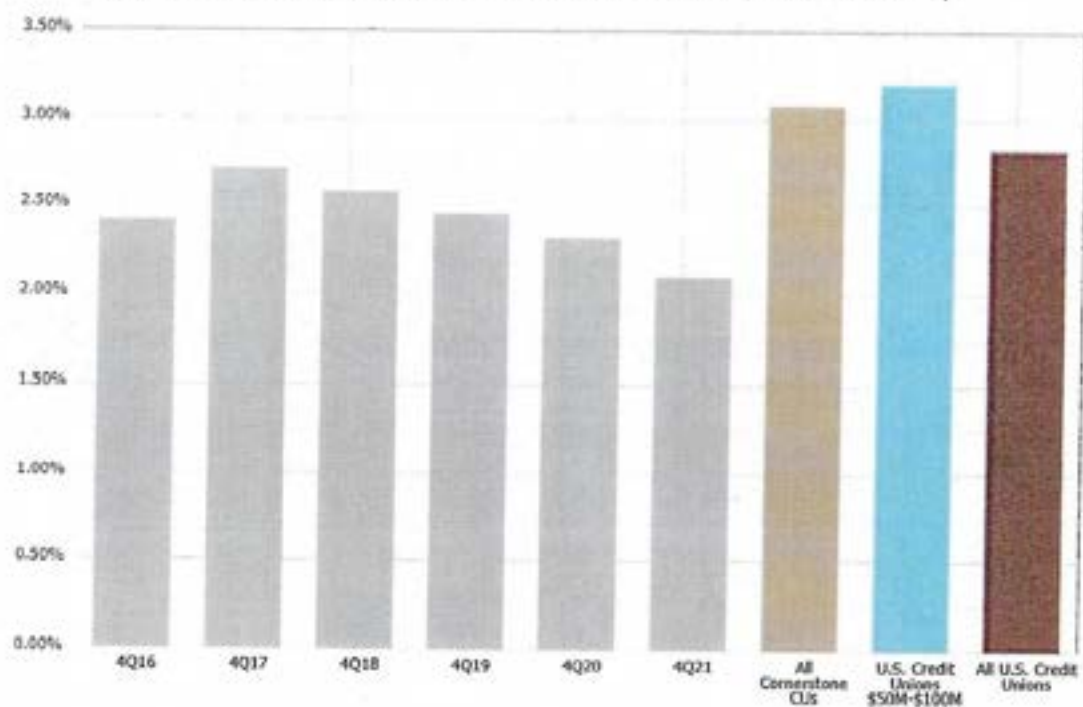
Delinquency/Total Loans - Caprock Santa Fe (Dec. 31, 2021)



Source: Callahan & Associates



Operating Expense/ATA - Caprock Santa Fe (Dec. 31, 2021)



Source: Callahan & Associates



SUPERVISORY REPORT

The Credit Union Department of the State of Texas examined the books of the credit union at the end of August 2021, which covered the period April 1, 2020 through June 30, 2021. We were examined in the areas of capital adequacy, asset quality, management, earnings, and liquidity. Per law the credit union must be examined periodically by the Credit Union Department which is usually every twelve to eighteen months. At the conclusion of the examination, the Board of Directors and President met with the Texas Credit Union Department examiner via Zoom to hear the results of the exam and to determine what actions, if any, needed to be taken to remedy negative situations or to create more positive situations. This year the report of examination from the Credit Union Department stated the credit union remains financially and operationally sound. The net worth position was strong, credit union practices were generally satisfactory and earnings performance was positive. The report did not disclose any material weaknesses. It also stated, the board of directors provide sound administrative oversight and the credit union is operating in a safe and sound manner. This exchange of information was followed by a complete written report addressed to the board which must be kept in strict confidentiality.

Bolinger, Segars, Gilbert & Moss, LLP conducted the annual board directed opinion audit based on our financial statements as of June 30, 2021. The audit was conducted in accordance with accounting standards generally accepted in the United States of America. An audit includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. They also conducted the annual verification of accounts audit as of June 30, 2021. Charlie Gorman of the firm presented written results to the board at the September 2021 board meeting. In the opinion of Bolinger, Segars, Gilbert & Moss, LLP, the financial statements referred to above present fairly, in all material respects, the financial position of Caprock Santa Fe Credit Union as of June 30, 2021 and 2020, and the results of their operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America. Mr. Gorman stated that their opinion was a clean opinion. The financial statements were in order and no adjusting entries were needed.

LOAN DEPARTMENT

The Loan Department in 2021 consisted of Tammy Cook, Rachel Rodriguez and I. We each conduct loan interviews, review applications, complete ratios, make loan decisions and document the loan files. We strive to have accurate and completely documented loan files for ourselves, our auditors and state examiners.

To ensure a strong loan portfolio we are a loan officers committee. The three of us are on the loan officer committee, along with President Wright. The Loan Committee acts with two or more of the loan officers and our purpose is to review loan obligations over \$35,000, debt to income ratios over 40%, unusual circumstances and member application with a credit score below 549. The Board of Directors or the Executive Committee members are called to take action if total obligation is over \$60,000, if a deviation from policy is requested or for denial appeals.

The loan department approved 2094 loans with a dollar amount of \$175,564,439.03 for 2021. The total number of loans were down by 593, but the amount loaned out for the year increased by \$7,483,283.31. Since the Credit Union began in 1953, there have been 117,285 loans finalized for a total of \$294,577,070.10.

We want to help our members with those unexpected life occurrences: we offer single and joint life debt protection insurance, disability, involuntary unemployment and reasonable GAP insurance for your loans. Warranties on all automobiles are also available, even on those not financed with us. Call or email a loan officer with the VIN and current mileage for a quick warranty quote.

BUT WAIT! WHY aren't they financed here?

Ask us to do your financing. Bring us information about an existing loan or get a preapproval so you have "cash in hand" when dealing with the dealerships. We make it easy to do business by accepting direct deposit, ACH origination or doing automatic transfers. Ask us!!

In 2021, we have 128 MasterCard Gold cards issued. The total balance on the cards was \$148,174.55 down by \$29,424.45. The outstanding balance in 2020 was \$157,538.00. The MasterCard program income was \$19,056.49 down \$2,824.54 from income in 2020. After expenses the net income was negative (2,821.54).

Many cardholders are paying down their debt. There are strict criteria for the issuance of one of our credit cards, but the benefits are that cardholders enjoy NO ANNUAL FEES and a 30 DAY GRACE PERIOD on new charges. That means that if the full balance is paid in full each month, no interest is due. The Credit Union still receives interchange income because the card was used.

We have had another involuntary processor change, the second within the last 7 years. Vantiv/WorldPay was purchased by FIS. The FIS transition occurred in June 2021. It was not as smooth as we had hoped. We are working out the kinks.

Suborah Pickens, LDM

DELINQUENCY DEPARTMENT REPORT

The focus of the Collections Department is to review delinquent accounts and try and work out the best possible resolution of what is a difficult time for our members who are struggling to make their payments. It is not always a pleasant experience, but we do our best to protect the Credit Union's interest while treating our members with respect.

A summary of activity for 2021 is as follows:

1. Delinquency as of December 31, 2021 was 2.307 %

Our credit union has consistently had higher ratios since we tend to provide riskier loans in our efforts to truly serve our membership.

2. Total charge-off for 2021 was \$ 216,646.19, which included:
 - a. Bankruptcy \$ 4,706.32
 - b. Personal Loans and general unsecured accts. \$ 132,244.87
 - c. Repossessions
 - i. Repossessed 6 vehicles
with a loan balance of \$ 79,695.00

3. Recoveries for 2021 totaled:
 - a. Recoveries to various loans total \$ 52,842.66
 - b. Recoveries on repossessed vehicles \$ 42,843.07

Resulting in a Net charge-off for 2021 \$ 120,960.46

We will continue to follow established Credit Union procedures and attempt to stay in contact with members who are, for whatever reason, falling behind on their loans. We will continue to contact members on a set schedule for notices and phone calls and work to reach a satisfactory resolution for all involved.

Dana Boyd, Collections Dept. Manager

REPORT OF MEMBER SERVICES

SHARE DRAFTS AND RELATED SERVICES

Our share draft accounts continue to grow with most taking advantage of having a debit card. As of December 31, 2021 we have 1071 share draft accounts. Our program is called "GEM" checking which means that even though we charge a monthly administrative fee, there are perks that come with the account. Accidental life insurance and local discount from GEM merchants are key perks. There is a mobile app that you can download that is called VIP Perks that will give you coupons for various businesses. With the GEM account we provide direct deposit of government and payroll checks. Money orders, Cashier checks, wires - in and out, and Western Unions are also available for a small fee. There is no administrative charge for seniors over the age of 62 nor is there a charge for direct deposit of government checks that are cashed immediately following receipt. Our ACH Origination program is doing great. We have approximately \$145,000.00 coming into the credit union each month from other financial institutions for the payment of loans or placement into savings accounts. This is also a convenience for our members.

We now have the convenience of online banking for our members. As of December 31, 2021 we have 2,393 members who have signed up for this service. We also have e-statements so if you haven't signed up for online banking and would like to, you can come see us and we can get that started for you. If you have online banking and haven't signed up for e-statements, you will need to come and sign a new consent form.

We ask your indulgence in that you understand that we cannot give out information as easily as in the past due to the Privacy Act. If you are not on an account as a joint owner, we cannot give you information about the account even if it is your spouse or child. The Privacy Act has no respect for "community property" unless your name is on the dotted line.

Caleigh Sue, Member Services

DEBIT CARDS

Many merchants are no longer accepting personal checks, so debit cards have become a great convenience. They can be used to obtain balance information, to transfer funds within the credit union or even obtain cash from the ATM.

Debit cards are easy to use, by simply swiping the debit card into the payment terminal and entering a Personal Identity Number (PIN), selected by the member, an electronic transfer of funds is set into motion. Debit cards must be safe guarded, just like a credit card. Used as either debit or credit, the funds are taken from the share draft account. Out debit cards are also being monitored 24/7 for possible fraudulent activity. Our debit card provider uses Falcon Fraud Manager to help identify and reduce fraud risk by detecting potentially fraudulent PIN-based and signature-based debit transactions. If you have a debit card, please enter 1 (800) 383-8000 (Shazam) into your mobile phone in case the card is lost or stolen. Report a missing card as soon as possible to stop potential fraud, for you and your credit union.

We have a new app that you can download called Brella. With this app you will be able to turn your card off and on. This will be good if you happen to lose your card or think fraud is going on. If you are interested in getting this, please let one of the staff know.

After numerous requests, the debit card program began in November of 2005. We have had great success with the program. As of December 31, 2021, we have 1,071 share draft accounts. From these accounts there are 1,309 debit cards in use. We continue to be paid by Shazam for the use of the cards. This is great news; it means the debit card program is paying for itself!

There are quarterly promotions offered by Shazam. The current promotion is "Choose Your Adventure". There will be 8 monthly winners for a \$50 adventure gift card that started on April 1st. The grand prize is a \$500 adventure gift card that ends on June 30, 2022. Be sure to check out the promotions every quarter and remember to use your debit card to increase your chances of winning!

Caleigh Sue, Member Services

REPORT OF NOMINATING COMMITTEE

The Board of Directors of the credit union consists of volunteers who give of their time and talents for the benefit of the membership. This is not a paid position yet the board of directors is ultimately and inescapably responsible for all operations and functions of the credit union by providing general direction and control of affairs, funds and records of the credit union and by exercising any and all powers granted by law to boards of directors of corporations. To carry out this responsibility it must: a) clearly establish policy, b) select competent management, and c) assure itself conclusively that management is performing properly.

The membership may nominate other persons from the floor if they so desire as long as they meet the following qualifications: 1) They are at least 23 years of age; 2) They have been a member of the credit union for 3 years; 3) They are a member in good standing -- credit and otherwise. They may not be related to any staff member. The Credit Union Department now requires that an elected board member have on file a "Director Application and Agreement to Serve" form which lists statutory requirements for persons willing to serve. The form may be completed after the elections, but a non-qualifying director will not be able to serve.

The nominating committee has contacted the following members who do qualify and each agreed to serve on the board if elected. If nominations are made from the floor, their names must be added to the ballot. The 3 nominees receiving the most votes will fill the 3 vacancies for 3 year terms each.

- 1) Juanita Heathington
- 2) Mike Green
- 3) Benny Arguello

Respectfully submitted,

Donnetta Lines
Jacob Parker
Rodney Simmons

CAPROCK SANTA FE CREDIT UNION

Our Sponsors

*Sponsorship no longer available except to existing members

B.N.S.F. Railway Company	Kitten Machine and Supply, Inc.*
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Flo-Ree's*	Shamrock Cafe*
Freddie's Tees*	Smith South Plains
G & J Auto*	Smith's Barber Shop*
Gospel Chapel AME Church	Sonic Drive-in
Girls Athletic Dept/Slaton Tigerettes	South Plains Chem Dry
Grace Lutheran Church	Standing Room Only*
Hatley Remodeling*	Supreme Feed Mills, Inc.*
Henzler Automotive*	T & T Financial Aid*
Iglesia Templo Bautista	Texas EMU Association Zone 6
Jim Burns*	Town Square Restaurant*
J. Featheruffle*	VFW Post 6721*
Joe's Feed and Supply*	V.I.C.A.
Karla's Kut-Up*	West Texas Seed & Delinting*
Klemke Sausage Haus & Gifts*	Westside Church of Christ
Kendrick Insurance*	Westview Baptist Church

CAPROCK SANTA FE CREDIT UNION
68th Annual Meeting * April 19, 2022

We would like to thank the following businesses who have donated door prizes for our meeting:

Accent Convenience Store
All American Chevrolet
Becker Wholesale
Bend the Trend – Nikki Robinson
Cowdogs and Cuties Boutique
Grime Stoppers
Heirloom Flowers
Humble Grounds
Hunt Brothers Pizza
Hurst Farm Supply
J J's Restaurant
KSSL Radio
Library of Legacies – Perks!
Hair Shack – Monique Ruiz
Oasis Turf Pros
O. D. Kenney Auto Parts
Pauline's Flowers & Gifts
Pizza Hut
Pretty Please
Rescue Pest Management
Slat-Co Printing
Slaton Animal Hospital
Slaton Bakery
Slaton High School
Slaton Pharmacy
South Plains Veterinary Clinic
State Farm – Joel Damron, Agent
Texas 1809
The Pieceful Quilter
Tracks Nutrition
Tucker Oil Company
United Supermarkets
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Please let these sponsors know how much you appreciate their participation.