



Southwest 66 Credit Union

2020 Annual Report

Credit Union Staff

| | | | |
|-------------------|-------------------------------|-------------------|-------------------|
| Elizabeth Newman | President/CEO | Alondra Carnero | MSO |
| William Duke | FVP/COO | Monica Lopez | MSO |
| Con Brazeal | CIO | Alexa Mata | MSO |
| Aaron Chavez | VP of Member Services | Idalys Tavares | MSO |
| Erica King | Director of Lending | Paula Quiroz | Call Center Agent |
| Jessica Sanchez | Internal Auditor | Evianna Suchil | Call Center Agent |
| David Engstrom | Collections Manager | Melanie Carrasco | Lending Clerk |
| Annalyssa Galvan | Call Center Manager | Alondra Rey | Accounting Clerk |
| Estrella Alvarado | Accounting Manager | Charlene Bowden | Teller |
| Stephane Feumba | Accounting Manager | Daniela Fuentes | Teller |
| Vanessa Sanchez | Assistant Branch Manager | Alicia Gonzales | Teller |
| Sarah Terrazas | Assistant Branch Manager | Jessica Levario | Teller |
| Pamela Vargas | Assistant Branch Manager | Larissa Leyva | Teller |
| Aaron Richter | Assistant Lending Manager | Bethani Martinez | Teller |
| Ashley Dorado | Assistant Collections Manager | Maria Martinez | Teller |
| Erica Brito | Loan Underwriter | Christina Morales | Teller |
| Daniella Madrid | Loan Underwriter | Feleena Munoz | Teller |
| Vanessa Garcia | Loan Processor | Ashley Puga | Teller |
| Isabel Rodriguez | Lead Call Center Agent | Mileena Vargas | Greeter |
| Amanda Cabrera | Lead MSO | | |
| Stephane Corrales | Lead Teller | | |
| Karina Rodriguez | Lead Teller | | |

Southwest 66 Board of Directors

| Name: | Title: | Term Expires: |
|-----------------|-----------------------|----------------------|
| Kris Crow | Chairman | 2020 |
| Jack Bain | Vice Chairman | 2021 |
| Jerry Reno | Secretary | 2022 |
| Tom Sprawls | Treasurer | 2022 |
| James Beauchamp | Board Member | 2022 |
| Ray Fowler | Board Member | 2020 |
| Terry Louvin | Board Member | 2021 |
| Jaime Rodriguez | Advisory Board Member | |
| Tommy Sheen | Advisory Board Member | |



Chairmans Report

Dear Members,

Welcome to the 71st annual meeting of Southwest 66 Credit Union. When you joined our credit union with your initial deposit, you became one of the most important people in the credit union industry: a member-owner. That initial deposit was your share in Southwest 66 Credit Union and it empowered your voice in your financial institution.

I want to first recognize my fellow board members for their leadership, dedication, and passion for this credit union. The strength of their commitment is key to our long-term sustainability. And to our members, I'm greatly humbled by the trust you've placed in us. As a united body of leadership, we are responsible for ensuring that we have a competent, qualified, and trustworthy management team, and I can say unequivocally that we do.

As many of you know, we conducted a search for a new President / CEO in 2019. After an extensive search, we selected Elizabeth Newman for this position. We were delighted to welcome her into our family this past May. Elizabeth comes to us by way of Dallas and has over 28 years of credit union experience. We have every confidence in her abilities to lead us into the future.

As you can see in the Financial Report, Southwest 66 Credit Union performed well in 2019. Some of the highlights this past year include:

- Loan growth of over 15%
- Net Worth reaching 11.49%
- Record year in adding members, accounts, and loans

In keeping with our core principal of financial literacy, we partnered with Junior Achievement Permian Basin, Midland College BECU, Permian Basin Adult Literacy Center, and Casa de Amigos. In 2020, member financial literacy classes are planned at our Odessa branch locations.

We continue to promote our prize-linked savings program, Save-to-Win. Through this program, our members have increased their savings by over \$175,000 and been awarded \$8,500.



We were able to bring our "people helping people" mantra to life in a number of ways that helped not only our members, but our communities. This includes working to raise over \$100,000 for Children's Miracle Network. When our community was confronted by a random shooting on August 31st, staff pulled together to raise funds to support the victims and their families. Staff also volunteered time at the West Texas Food Bank, Univision's Breakfast with Santa, and the Ector County new teacher breakfast. And, we continued our support of the Salvation Army's Angel Tree.

We are committed to improving our products, services, and technology. Many initiatives are planned in 2020 including instant issue debit cards and a new loan origination system.

From a business perspective, your credit union continues its steady trajectory, with our focus finely tuned to the things that really matter to our members. We are sincerely grateful that you've chosen Southwest 66 Credit Union as your financial partner and look forward to continuing to serve you and your families.

Thank you,

Kriston Crow
Chairman of the Board
Southwest 66 Credit Union



Statement of Financial Condition

| | 2018 | 2019 |
|---------------------------------------|------------------------|------------------------|
| ASSETS | | |
| TOTAL LOANS, NET | \$48,842,848.36 | \$56,262,646.70 |
| CASH | \$1,328,972.53 | \$2,572,966.75 |
| INVESTMENTS | \$27,175,134.77 | \$19,763,593.72 |
| FIXED ASSETS | \$3,722,786.46 | \$3,680,699.68 |
| OTHER ASSETS | \$3,809,687.17 | \$2,502,859.66 |
| TOTAL ASSETS | \$84,879,429.29 | \$84,782,766.51 |
| LIABILITIES & EQUITY | | |
| LIABILITIES | \$1,708,791.76 | \$1,937,101.78 |
| TOTAL SHARES AND CERTIFICATES CAPITAL | \$74,319,716.62 | \$73,042,323.04 |
| TOTAL LIABILITIES AND EQUITY | \$84,879,429.29 | \$84,782,766.51 |
| INCOME | | |
| INTEREST ON LOANS | \$2,824,426.83 | \$3,202,765.70 |
| INVESTMENT INCOME | \$691,755.52 | \$702,382.89 |
| INCOME FROM FEES AND CHARGES | \$1,411,921.65 | \$1,590,042.43 |
| OTHER INCOME | \$209,930.24 | \$116,774.82 |
| TOTAL INCOME | \$5,138,034.24 | \$5,611,965.84 |
| EXPENSES | | |
| SALARIES & BENEFITS | \$1,961,347.82 | \$2,268,362.10 |
| EDUCATION AND CONFERENCES | \$222,480.33 | \$155,196.94 |
| ASSOCIATION DUES | \$16,030.33 | \$16,799.20 |
| OFFICE OCCUPANCY | \$390,896.13 | \$434,564.67 |
| OFFICE OPERATIONS | \$1,085,580.82 | \$884,773.63 |
| ADVERTISING AND PROMOTION | \$140,401.03 | \$144,089.67 |
| LOAN SERVICING | \$67,399.14 | \$119,624.13 |
| PROFESSIONAL AND OUTSIDE SERVICES | \$315,128.39 | 120,477.53 |
| PROVISION FOR LOAN LOSSES | \$15,201.53 | \$814,617.19 |
| MEMBERS INSURANCE | \$0.00 | \$0.00 |
| OTHER OPERATING EXPENSE | \$242,384.41 | (\$182,236.25) |
| TOTAL OPERATING EXPENSES | \$4,456,849.93 | \$4,776,268.81 |
| OTHER NON OPERATING (INCOME) EXPENSE | (\$6,605.74) | (\$2,728.73) |
| LOSS (GAIN) ON DISP OF ASSETS | (\$5,797.67) | \$0.00 |
| INCOME BEFORE DIVIDENDS | \$693,587.72 | \$838,425.76 |
| DIVIDENDS | \$405,091.17 | \$423,578.90 |
| NET INCOME | \$288,496.55 | \$414,846.86 |
| BOARD COMPENSATION | \$9,300.00 | \$9,150.00 |
| MEMBERSHIP SIZE | 10,288 | 10,423 |

Board Compensation Projection for 2020 is \$10,750