

# WHITING REFINERY FEDERAL CREDIT UNION

## 2023 ANNUAL REPORT

### BOARD OF DIRECTORS

Towner, Carl	- President
Kirchhoff, David	- 1 <sup>st</sup> Vice-President
Markovich, Robert	- Treasurer
Brezene, Janet	- Secretary
Abercrombie, Mike	- Director
Mateja, Sue	- Director
Matura, David	- Director
Puente, Anthony	- Director
Stewart, Jared	- Director

### SUPERVISORY COMMITTEE

Brezene, Janet	- Chairperson
Rogers, Paula	
Yan, Minnie	

### MEMBERSHIP OFFICER

Boyle, Julie

### LOAN OFFICERS

Nolasco, Lori  
Rangel, Carmen  
Suttlar, Lisa

### OFFICE STAFF

Boyle, Julie	- Manager
Nolasco, Lori	- Asst. Manager
Rangel, Carmen	- Clerk/Teller
Suttlar, Lisa	- Asst. Loan Officer

# **2023 REPORT OF THE BOARD OF DIRECTORS**

**MARCH 2024**

To the Membership:

In 2023 we delivered on last year's promise to focus on growing the number of loans that we have and increasing our loan to share ratio in an effort to move away from low yielding investments such as CDs and move toward higher yielding investments such as loans to our members. We had a further 10% increase in our loan to share ratio over last year. Maintaining competitive loan rates and expanding our loan offerings to include boat, RV, and motorcycle loans was the main reason we brought in so many new loans.

In addition to delivering on last year's promise we were also hard at work trying to improve the member's experience with the credit union. We worked with an architect on plans to revamp the lobby and if you've stopped by the credit union recently then you've seen the result of this work. We also rolled out updates to our mobile app which now has a much cleaner and easier to use interface. The staff has continued to do a great job maintaining the website and advertising our great rates on a variety of loan products and special benefits including the free checks for those over 50 program.

We're going to continue to focus on loans and loan growth in 2024. We work with a national mortgage origination company so if any of you are planning to move, even if it is far outside of the area, we can be your lending institution. We have extremely competitive loan rates on all manner of vehicles including automobiles, boat, RV's, motorcycle and of course home loans. We are maintaining very competitive CD rates so whether you're a borrower or have a few extra dollars to save, we want you to use and enthusiastically recommend our credit union to your family members and work colleagues at the refinery.

The WRFCU remains a financially strong institution with a very healthy asset base of \$53 million. Of the \$1.5 million in total operating income we had in 2023, nearly \$700,000 was returned to the membership directly as dividends. We also maintained very attractive loan rates with multiple members stating that our rates were the most attractive even amongst national institutions.

We are proud of our ability to continue to pay dividends, offer extremely competitive loan rates, have the best savings rates of any credit union in the area, and offer top notch service in person, over the phone, and online. The board, supervisory committee, and staff are always looking for ways to grow our offerings, serve you better, and increase the returns on your investments. Thank you for your continued use and support of OUR credit union.

The following items were acted upon by your Board during 2023:

CONDUCTED	Twelve regular and one special board meeting.
REVIEWED	Monthly and special operations reports from the Treasurer and Office Manager.
RATIFIED	The membership applications of 106 new members.
CONTINUED	First mortgage policies for owner-occupied dwellings (fixed and adjustable rate).
APPOINTED	A three-member Supervisory Committee to perform audits required by the Federal Credit Union Act and NCUA Regulations.
HEARD	Reports of the Supervisory Committee, Federal Examiner, and Independent Auditor, all of whom gave high approval of the operation of the credit union.
CONTINUED	A ladder-type investment policy for our surplus funds in line with current interest rates and the economic environment.
CONTINUED	Offering 1-to-5-year CDs with better than average yields.
DECLARED	Dividends at the rate of .70APR/.70%APY for the first quarter of 2023, .70%APR/.70%APY for the second quarter of 2023, 1.50%APR/1.51%APY for the third quarter of 2023 and 1.75%APR/1.77% APY for the fourth quarter of 2023.
IMPLEMENTED	6 Mos. And 18 Mos. CDs with better than average yields. External Transfers, 0.25% discount on mortgages. Shorter term auto loan at a lower rate.
CONTINUOUSLY	Reviewed and implemented policies, plans and strategies to guarantee the sustained financial strength of the credit union.

Your Board of Directors thanks you for the opportunity and privilege of serving you in 2023. We continue to be one of the leaders in Indiana and the nation regarding our lending practices, continued growth, exceptionally low loan default rate of 0%, and competitive investment and loan rates. We look forward to continuing the oversight of your Credit Union and remain committed to act in a fiscally responsible manner with the safety of your assets as our first priority!

On behalf of the Board of Directors, I express our appreciation to the membership for your continued support, to the committees for their time and dedication, and to the staff for their hard work and friendliness.

Thank You,

A handwritten signature in black ink, appearing to read 'Carl Towner', with a horizontal line drawn underneath it.

Carl Towner, President

**WHITING REFINERY FEDERAL CREDIT UNION**

**1339 – 119<sup>TH</sup> Street  
Whiting, Indiana 46394**

**REPORT OF THE TREASURER 2023**

<b>Assets</b>	<b>\$52,949,446</b>	<b>Down</b>	<b>3,550,129</b>	<b>6.28%</b>
Total Shares	21,643,415	Down	11,564,682	34.82%
Total Share Certificates	16,245,611	Up	7,925,292	95.25%
Total Share Drafts	1,304,860	Down	106,261	7.53%
Total Christmas Club	3,566	Up	308	9.45%
 Total Loans	 11,895,706	 Up	 2,744,066	 29.98%
Total Mortgages	8,711,171	Up	105,297	1.22%
 Gross Income	 1,510,185	 Up	 392,398	 35.10%
Expenses	679,237	Up	74,152	12.25%
Income Before Dividends	830,948	Up	318,246	62.07%
<b>Dividends</b>	<b>698,719</b>	<b>Up</b>	<b>374,693</b>	<b>115.64%</b>
<b>Net Income After Dividends and non-Op Investments</b>	<b>125,470</b>	<b>Up</b>	<b>267,290</b>	<b>188.47%</b>
 Number of Accounts	 2,043	 Down	 14	 .68%

DIVIDENDS were paid at the rate of .70%APR/.70%APY for the first quarter, .70% APR/.70% APY for the second quarter, 1.50% APR/1.51% APY for the third quarter and 1.75% APR/1.77% APY for the fourth quarter of 2023.

As of December 31, 2023, the Whiting Refinery Federal Credit Union was holding the following investments:

Federal Agency Securities	\$10,500,000
Alloya Corporate FCU	\$13,673,333
Mutual Funds	\$3,236,013
Total Benefits Prefunding Inv.	\$2,142,905

As of December 31, 2023, delinquent loans amounted to 0.02% of total loans and mortgages outstanding vs. 0.84% for our peers. Below are comparative figures of amounts charged-off and turned over for collection during the past three years:

	<b>2023</b>	<b>2022</b>	<b>2021</b>
Total # Loans Charged-Off	0	0	1
Total \$ Loans Charged-Off	\$0.00	\$0.00	\$5,432
Total \$ Loans Outstanding	\$20,606,877	\$17,757,514	\$14,514,211
% Charged Off/Loans	0.00%	0.00%	0.04%

Respectfully submitted,

*Robert A. Markovich*

Robert Markovich  
Treasurer

# ***ANNUAL REPORT OF THE LOAN OFFICERS 2023***

*2 Mortgages were granted in the amount of \$512,737.00*

*221 Consumer Loans were granted in the amount of  
\$6,331,595.01*

*Total Loans Granted \$6,844,332.01*

*Respectfully Submitted,  
Lori Nolasco  
Lisa Suttlar  
Carmen Rangel*

***LOAN OFFICERS***

## COMPARATIVE STATEMENT OF INCOME AND EXPENSES

	<u>2023</u>	<u>2022</u>	<u>2021</u>
<b><u>OPERATING INCOME</u></b>			
Interest on Loans	\$ 715,299.48	\$ 527,266.31	\$ 510,794.82
Income from Federal Agency Securities	100,825.76	92,363.01	28,547.15
Income from Alloya Corporate FCU	375,131.16	263,008.96	283,945.26
Income from Mutual Funds	125,443.20	73,873.15	68,289.82
Income from US Treasuries	16,453.67	-	-
Income from Total Benefit Prefunding	56,804.79	55,748.72	55,713.33
Fees and Charges	16,462.63	13,719.10	10,206.94
ATM Surcharge Fees	404.00	562.00	560.00
Miscellaneous Operating Income	103,359.91	91,246.10	332,526.15
<b>TOTAL OPERATING INCOME</b>	<b>\$ 1,510,184.60</b>	<b>\$ 1,117,787.35</b>	<b>\$ 1,290,583.47</b>
<b><u>OPERATING EXPENSE</u></b>			
Compensation	\$ 209,760.09	\$ 192,390.90	\$ 188,879.18
Employee Benefits	86,120.14	87,561.99	79,360.52
Travel and Conference Expenses	13,379.48	9,002.32	7,200.83
Association Dues	14,539.71	12,134.46	11,660.78
Misc Office Occupancy Expenses	17,157.00	7,511.05	9,446.29
Utilities	12,518.03	17,574.55	16,958.92
Depreciation	64,362.35	52,627.68	50,995.18
Office Operating Expenses	158,256.37	139,037.69	134,838.79
ATM Expenses	2,669.85	2,923.20	2,655.00
Educational & Promotional Expenses	22,188.28	14,883.65	15,863.17
Marketing	1,500.00	500.00	12,400.00
Loan Servicing Expenses	5,282.60	4,716.51	3,713.37
Mortgage Servicing Fee	5,456.09	5,327.07	26,639.83
Mortgage Origination Fee	3,918.00	12,315.84	20,970.02
Professional and Outside Services	10,800.00	9,700.00	8,405.00
Provisions for Loan Losses	16,582.15	(1,121.00)	(28,097.00)
Federal Supervision & Examination Expenses	9,563.98	9,297.26	5,838.33
Cash Over and Short	-	-	(100.00)
Interest on Borrowed Money	2,229.68	3,711.54	-
Annual Meeting Expenses	3,443.97	3,244.03	1,255.33
Miscellaneous Operating Expense	19,508.74	21,746.17	8,602.90
<b>TOTAL OPERATING EXPENSE</b>	<b>\$ 679,236.51</b>	<b>\$ 605,084.91</b>	<b>\$ 577,486.44</b>
<b>INCOME (Loss) BEFORE DIVIDENDS</b>	<b>\$ 830,948.09</b>	<b>\$ 512,702.44</b>	<b>\$ 713,097.03</b>
Dividends	(292,914.40)	(163,747.82)	(189,431.99)
Share Certificate Dividends	(390,331.94)	(154,284.64)	(175,907.18)
Draft Dividend	\$ (15,473.05)	\$ (5,993.16)	\$ (6,650.73)
<b>TOTAL DIVIDENDS</b>	<b>(698,719.39)</b>	<b>(324,025.62)</b>	<b>(371,989.90)</b>
<b>TOTAL OPERATING NET INCOME</b>	<b>\$ 132,228.70</b>	<b>\$ 188,676.82</b>	<b>\$ 341,107.13</b>
Non-Operating Gain/(Loss) on Investments	(6,758.62)	(330,496.97)	(34,659.23)
<b>NET INCOME</b>	<b>\$ 125,470.08</b>	<b>\$ (141,820.15)</b>	<b>\$ 306,447.90</b>

# WHITING REFINERY FEDERAL CREDIT UNION

## COMPARATIVE STATEMENT OF CONDITION

<u>ASSETS</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
Outstanding Loans & Mortgages to Members	\$ 20,606,876.56	\$ 17,757,514.42	\$ 14,514,211.18
Less: Allowance for Loan Losses	(28,082.71)	(11,349.90)	(9,214.99)
Cash on Hand and in Bank	2,113,581.94	1,266,209.56	3,287,090.51
Total Investments	29,552,250.29	36,816,307.25	39,733,182.35
Accrued Income from Investments	26,403.27	26,827.51	12,403.09
Accrued Income from SimpliCD's	11,479.03	12,811.11	11,127.39
CUSC - CUSO Capital Investment	100.00	100.00	100.00
Prepaid Insurance	38,229.84	9,495.92	22,334.56
Deferred Expenses	3,873.04	4,562.77	5,488.17
Land	7,099.26	7,099.26	7,099.26
Building	88,399.02	78,607.88	82,699.56
Building Improvement	70,996.96	49,195.00	23,239.09
Furniture & Fixtures	49,292.01	46,477.68	18,282.36
Accrued Interest on Loans	17,038.66	10,632.13	5,693.86
Accrued Interest on Mortgages	17,300.76	-	-
Share Insurance Fund	374,607.94	425,084.12	403,424.84
			\$ -
<b>TOTAL ASSETS</b>	<b>\$ 52,949,445.87</b>	<b>\$ 56,499,574.71</b>	<b>\$ 58,117,161.23</b>
 <u>LIABILITIES</u>			
Accounts Payable	\$ 4,221.52	\$ 3,313.66	\$ 1,353.45
Mortgage Escrow A/C	(399.61)	(582.81)	(802.40)
Bill Pay	4,223.61	2,771.82	1,492.18
Cashier's Checks	46,885.00	3,773.25	6,950.00
Money Orders	-	292.95	500.00
Taxes Payable	1,330.80	1,177.10	1,293.50
Certificate Dividends Payable	28,228.13	6,399.27	7,358.14
Supervisory Audit Payable	6,100.00	4,500.00	3,100.00
Shared Branch Settlement	-	(546.00)	-
Online ATM Settlement	1,782.25	\$ 1,527.25	\$ 1,988.56
<b>TOTAL LIABILITIES</b>	<b>\$ 92,371.70</b>	<b>\$ 22,626.49</b>	<b>\$ 23,233.43</b>
 <u>EQUITY</u>			
Member's Savings Account	\$ 21,643,414.96	\$ 33,208,096.79	\$ 33,432,977.93
Member's Share Drafts	1,304,859.60	1,411,121.17	1,092,458.38
Member's Christmas Club Accounts	3,566.01	3,258.40	3,211.28
Member's Share Certificates	16,245,611.37	8,320,319.71	9,889,307.91
Regular Reserve	826,155.87	826,155.87	826,155.87
Undivided Earnings	12,833,466.36	12,707,996.28	12,849,816.43
<b>TOTAL EQUITY</b>	<b>\$ 52,857,074.17</b>	<b>\$ 56,476,948.22</b>	<b>\$ 58,093,927.80</b>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>\$ 52,949,445.87</b>	<b>\$ 56,499,574.71</b>	<b>\$ 58,117,161.23</b>
Number of Accounts	2043	2,057	2,073
Number of Loans Made Since Organization	102,413	102,030	101,785
Amount Loaned Since Organization	\$ 255,356,441	\$ 248,512,109	\$ 240,909,509
Amount Charge-Off Since Organization	\$ 1,973,966	\$ 1,973,966	\$ 1,973,966
Recovered on Amount Charged-Off	\$ 683,227	\$ 683,076	\$ 679,670