



**2023 ANNUAL REPORT  
VERITAS FEDERAL CREDIT UNION**



**VERITAS**  
FEDERAL CREDIT UNION

Welcome to our 2023 annual report. On behalf of the volunteers and staff of Veritas Federal Credit Union, I'm grateful to report, once again, that the viability of our financial institution has been affirmed by both the NCUA examination and Supervisory Auditor.

Amidst steady, rising federal interest rates and lower-than-usual deposits across financial institutions as a whole, your credit union continued to push forward on strategic initiatives to improve digital offerings and financial education, while providing new opportunities for underserved areas in our field of membership.



*It was a year of achievement as we celebrated our 50th anniversary of serving members. We were also excited to add CashBack Rewards on our VISA credit card. This solid product provides easy rewards and incredible low, fixed interest rates that beat 2013 rates!*

*Much of the year focused on converting to a new eBanking platform and integrated mobile app to improve our member's experience when interacting with us virtually. One big advantage from this conversion is the unity between eBanking and the app. This conversion also reduced the number of vendor contracts that we support, which adds to our bottom line. Finally, many members have agreed that the ability to hold conversations within the platform speeds up the level of service VFCU staff can provide.*

*The closing of our Franklin branch allowed for cost reductions that will provide synergies for better and more-focused service. It also provided for new ATMs in both Franklin and the Smyrna plant, projected for installment at the end of Q1 2024. With our digital loan applications, we continue to process loans at a record speed. We are particularly proud of the ability to fund Home Equity loans in as little as 5 days. This is a vast improvement over our competitors, and with low closing costs and no annual fee, it's a product many members have taken advantage of, leading to a record year in providing HELOCs to members.*

*As forecasted, we were close to breaking even in 2023. We actually did better than expected. We continue to grow, prosper, and expand to better serve our members' needs. From the Board, Supervisory Committee, and staff at VFCU, thank you for placing your trust in Veritas.*

**Michelle Garcia, Chair, Board of Directors**

**The Nominating Committee's** role is to nominate at least one member for each vacancy on the Board of Directors, and to make recommendations throughout the year to fill any vacant positions until the next annual meeting. Board members serve a three-year term, with an equal number reelected annually. Currently serving on the Nominating Committee are Larry Branch, Teri Crowl, Thomas Culp and Michelle Garcia.

This year, one seat is open for a three-year term, and two vacancies were created by director resignations of Brad Fottrell and Bryan Long. The committee conducted interviews and due diligence on interested candidates and places these names into consideration. Given there are sufficient nominees to fill the open positions and no nominations are permitted from the floor, there will be no need for a ballot election.

### **3 year term:**

- **Michelle Garcia** (incumbent) – A member since 1996, Ms. Garcia has volunteered with Veritas for the past 13 years. She has served as a member of the Board of Directors since 2015 and as the Board Chair since 2017. Ms. Garcia worked for Nissan for almost 20 years in Business Transformation and Customer Journey before moving to Pegasystems as a Director Industry Principal. She is currently the North America Transformation Lead with Collabera. She is a graduate of the University of Phoenix.

### **Completing one-year remaining term due to vacancies:**

- **Bryan Pennartz** – Mr. Pennartz has served on the Supervisory Committee since 2021. He has a BA in Political Science from Columbia University and MBA in Corporate Finance from the University of Dallas. He works in automotive finance.
- **Joel Scott** – Mr. Scott's career has focused on construction engineering and project management since the completion of a BS in Construction Management at Georgia Southern University. Mr. Scott has been a Veritas member since 2016.

**The Supervisory Committee** is the credit union's audit committee—a kind of "watch dog" for the members. The Committee has oversight in the areas of compliance, fraud prevention, proper risk assessment and cash management, and is also available for members in case of any personal issues that cannot be resolved by credit union management. The Committee consists of members who have volunteered, and who were appointed by the Board of Directors.

The Committee's role includes continuing to ensure VFCU management and the Board of Directors fulfill their responsibilities as good stewards of the members' money. This is partly accomplished through regular audits and onsite visits at each of the credit union's locations. Symphony, LLC, a division of VolCorp, conducts our supervisory audit. A complete and thorough audit of our financial records was conducted and confirmed that the financial statements of Veritas Federal Credit Union fairly represent the credit union's financial condition.

# 2023 Annual Report

# Veritas Federal Credit Union

## Consolidated Statement of Financial Conditions

### Veritas Federal Credit Union

	Statement of Year End Income		
	2023	2022	2021
<b>Interest Income</b>			
Interest on Member Loans	2,474,046	1,856,436	1,671,766
Interest on Investments	177,514	60,748	44,727
<b>Total Interest Income</b>	<b>2,651,560</b>	<b>1,917,184</b>	<b>1,716,493</b>
<b>Interest Expense</b>			
Dividend Expense on Member Shares	456,988	105,700	104,070
<b>Net Interest Income</b>	<b>2,194,572</b>	<b>1,612,423</b>	<b>1,612,423</b>
Provision for Loan Losses	239,529	117,183	114,887
<b>Net Interest Income after Provision for Loan Losses</b>	<b>1,955,043</b>	<b>1,694,300</b>	<b>1,497,535</b>
<b>Operating Expenses</b>			
Compensation and Benefits	1,470,297	1,257,961	1,169,232
Office Operations	791,347	791,290	738,143
Professional Services	340,297	313,381	237,957
Other Expenses	299,275	241,671	178,716
<b>Total Operating Expenses</b>	<b>2,901,217</b>	<b>2,604,303</b>	<b>2,324,048</b>
<b>Other Income</b>	<b>830,236</b>	<b>1,033,685</b>	<b>735,721</b>
<b>Net Operating Income</b>	<b>(115,938)</b>	<b>123,683</b>	<b>(90,791)</b>
<b>Non-Operating Income</b>	<b>-</b>	<b>899</b>	<b>16</b>
<b>Net Operating Income After NOL</b>	<b>(115,938)</b>	<b>124,583</b>	<b>(90,775)</b>

	Balance Sheet		
<b>Assets</b>			
Loans to Members	39,892,273	34,327,512	29,506,897
Less: Allowance for Loan Losses	303,013	271,642	292,562
Net Outstanding Loans	39,589,260	34,055,870	29,214,335
Cash and Equivalents	740,836	1,590,581	1,177,435
Investments	6,218,175	7,308,487	11,624,122
National Credit Union Share Insurance Fund	432,121	408,759	382,578
Other Assets	5,201,970	5,248,285	5,162,681
<b>Total Assets</b>	<b>52,182,362</b>	<b>48,611,982</b>	<b>47,561,151</b>
<b>Liabilities, Savings and Equity</b>			
Total Liabilities	468,725	453,569	191,570
Total Savings	47,675,078	44,003,917	43,339,666
Reserves & Equity	4,038,559	4,154,497	4,029,915
<b>Total Liabilities, Savings and Equity</b>	<b>52,182,362</b>	<b>48,611,982</b>	<b>47,561,151</b>

# 2023

## BOARD OF DIRECTORS

**Michelle Garcia**, Chair  
**Larry Branch**, Secretary  
**Thomas Culp**, Treasurer

## SUPERVISORY COMMITTEE

**Victor Keyes**  
**Bryan Pennartz**

## VFCU EXECUTIVE MANAGEMENT

**Teri Crawl**, CCUE, CUCE – Chief Executive Officer  
**Karen Woodall**, CCUE, CUCE – Chief Financial Officer  
**Kathy Henderson**, Operations Manager  
**Lysa Rigo**, Member Experience Manager  
**Rich Beswick**, Systems/Facility Manager

## FEDERALLY INSURED BY NCUA

### Contact Us Now



PO Box 2659  
Smyrna, TN 37167



[info@veritasfcu.org](mailto:info@veritasfcu.org)  
[www.veritasfcu.org](http://www.veritasfcu.org)



885-663-8328  
call or text