



# 2024

## ANNUAL REPORT

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### CEO/President's Letter

As State Farm Federal Credit Union (SFFCU) continues to build on its 89-year legacy of commitment to members, 2024 marked another successful step forward in our journey together. As I reflect on the past year, I'm excited to share our key initiatives and accomplishments.

Our primary focus was the successful implementation of our new core banking system, an essential project that required several years of detailed planning and execution. This transformation took place in the third quarter of 2024, marking a significant milestone for SFFCU. We updated our infrastructure to offer improved systems integration, enhanced compliance and security controls, and adopted contemporary technology to meet the current and future needs of members. This initiative represents the largest and most complex project the Credit Union has undertaken in decades. I extend my heartfelt appreciation to our dedicated employees and enterprise partners, whose tireless efforts ensured a smooth transition with minimal impact and disruption for our members.

With the new system, we introduced modern, color statements to enrich the member experience. To improve the application process, the Credit Union enhanced communications by providing SMS text messages for members who opt in, offering instant updates on loan and new share account applications as well as providing links to complete necessary forms. Additionally, Fin, our virtual financial assistant, celebrated one year with the Credit Union, assisting members across all digital platforms — web, online and mobile. In 2024, SFFCU conducted 55 educational presentations and workshops for State Farm employees, participated in several in-person employee benefit fairs, and grew our membership by more than 1,100 members.

We saw cautious optimism about the economy from the Federal Reserve, which resulted in three federal fund interest-rate cuts over the course of 2024. During that time, SFFCU

increased Share Savings rates and maintained very competitive loan rates. Thanks to the dedication, knowledge and commitment of our staff and volunteers, the Credit Union performed well financially, operationally and strategically. Here are some highlights from the past year:

- The Credit Union ended 2024 with total assets in excess of \$4.4 billion, and a strong capital position of 15.87 percent.
- Members received more than \$371 million in loans, resulting in a loan portfolio of \$1 billion.
- Keeping true to our commitment to offer favorable, above-market rates on savings, we paid our members over \$130 million in dividends.

Another key measure of the success of any financial institution is to receive positive findings from audits and examinations, and SFFCU continues to excel in these areas. I'm pleased to share we received very positive results and feedback this past year during the exam conducted by our federal regulator, the National Credit Union Administration (NCUA). We also performed extremely well in both independent external audits and internal audits by the State Farm Internal Audit team.

As a State Farm benefit since 1936, our mission is to improve members' financial well-being, and we sincerely appreciate the trust and confidence you place in us to help you achieve your financial goals.

Respectfully submitted,

A handwritten signature in black ink that reads 'Steven W. Gorrie'.

**Steven W. Gorrie**  
CEO/President

## Statement of Financial Condition

December 31, 2024 (unaudited)  
('000's)

<b>Assets</b>	
Cash and cash equivalents	\$20,589
Investments – held-to-maturity	\$289,405
Investments – available-for-sale	\$3,018,648
Loans	\$1,044,020
Less: allowance for loan losses	\$(5,755)
Other assets	\$68,874
<b>Total assets</b>	<b>\$4,435,781</b>
<b>Liabilities</b>	
Accounts payable	\$111
Other liabilities	\$419
<b>Total liabilities</b>	<b>\$530</b>
<b>Shares/deposits</b>	
Regular shares	\$2,981,713
Secondary shares	\$670,444
IRA shares	\$100,449
<b>Total shares and deposits</b>	<b>\$3,752,606</b>
<b>Equity</b>	
Undivided Earnings	\$703,876
Acc. unrealized G & L on securities	\$(21,231)
<b>Total equity</b>	<b>\$682,645</b>
<b>Total liabilities, shares and equity</b>	<b>\$4,435,781</b>

## Statement of Changes in Members' Equity

<b>Balance – December 31, 2023</b>	<b>\$621,879</b>
<b>Comprehensive Income:</b>	
Net Income	\$31,391
<b>Other Comprehensive Gain:</b>	
Change in unrealized gain/loss on securities available for sale	\$29,375
<b>Total Comprehensive Income</b>	<b>\$60,766</b>
<b>Balance – December 31, 2024</b>	<b>\$682,645</b>

## Statement of Income

For the Period Ending December 31, 2024 (unaudited)  
('000's)

<b>Interest income</b>	
Interest on loans	\$52,008
Income on investments	\$118,175
<b>Total interest income</b>	<b>\$170,183</b>
<b>Interest expense</b>	
Dividends (Regular)	\$103,204
Dividends (Secondary)	\$23,429
Dividends (IRA)	\$3,612
<b>Total interest expense</b>	<b>\$130,245</b>
<b>Provision for loan and other losses</b>	<b>\$2,456</b>
<b>Net interest income after provision for losses</b>	<b>\$37,483</b>
<b>Non-interest income</b>	
SF Mutual Contributed Service Income	\$12,102
Other non-interest income	\$1,435
<b>Non-interest income</b>	<b>\$13,537</b>
<b>Non-interest expense</b>	
Salaries and benefits –	
SF Mutual Contributed Service	\$11,755
Occupancy – SF Mutual Contributed Service	\$1,102
Travel and conference expense	\$94
Association dues	\$173
Contributions	\$40
Office operations	\$705
Office operations – SF Mutual Contributed Service	\$(755)
HR Budget costs	\$1,356
Information Systems & Technology	\$3,321
Marketing and Development	\$2
Loan servicing	\$529
Professional and outside services	\$510
Share Insurance Premium (NCUSIF)	\$0
Federal operating fee	\$589
Misc. operating expense	\$209
<b>Total non-interest expenses</b>	<b>\$19,628</b>
<b>Net income</b>	<b>\$31,391</b>

## Supervisory Committee Report

The Supervisory Committee is responsible for ensuring that the Board of Directors and management of the State Farm Federal Credit Union (SFFCU) meet required financial reporting objectives, establish practices and procedures sufficient to safeguard members' assets, and operate in compliance with governing laws and regulations.

To meet these responsibilities, the Committee engaged an independent public accounting firm to perform a financial audit and verification of member accounts in 2024. The final report is expected later this year and will be available upon request by contacting the Credit Union.

The Supervisory Committee also oversees internal audits to ensure SFFCU operations comply with SFFCU's policies and procedures and that internal controls are in place to protect member assets.

In addition, examiners from regulatory agencies such as the National Credit Union Administration (NCUA) conduct separate reviews to evaluate the performance and risk profile of the Credit Union.

We would like to express our appreciation to the Board, management and staff of the Credit Union for their continued support.

The Supervisory Committee works in the best interest of you. We are proud to volunteer our time and services to the members of the Credit Union. If we can be of any assistance, please contact the Committee.

**Shannon Moreland**  
*Chair – Supervisory Committee*

## Board of Directors

<b>Holly Roberts</b> Chairperson .....	Cincinnati, OH
<b>Neil Jackson</b> Vice Chairperson .....	Bloomington, IL
<b>Teresa Herrera</b> Secretary .....	Richardson, TX
<b>Rashawnda Harvey</b> Treasurer .....	Richardson, TX
<b>Charlie Cardiff</b> .....	Dunwoody, GA
<b>Kelly Dunn</b> .....	Bloomington, IL
<b>Steve Gorrie</b> .....	Bloomington, IL
<b>Bobby McCoy</b> .....	Tempe, AZ
<b>Jessica West</b> .....	Tempe, AZ

## Supervisory Committee

<b>Shannon Moreland</b> .....	Chairperson
<b>Patty Kimberlin</b>	
<b>Vance Sawyer</b>	
<b>Hilary Wahlheim</b>	
<b>Emma Wear</b>	

