

2023

Annual Report

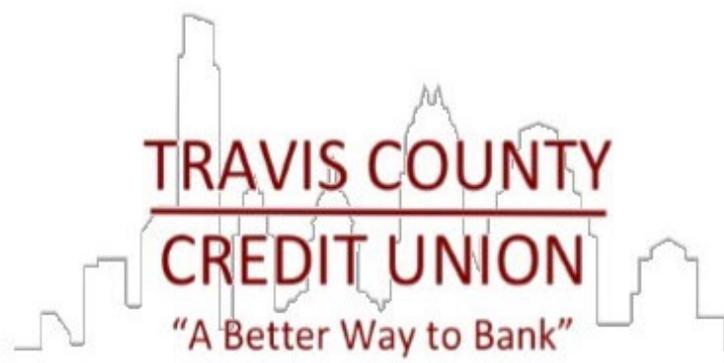


TABLE OF CONTENTS

BOARD OF DIRECTORS & TEAM _____	3
CHAIR / PRESIDENT REPORT _____	4
TREASURER'S REPORT _____	5
2023 ANNUAL MEETING MINUTES _____	6
STATEMENT OF INCOME & EXPENSE _____	7
FINANCIAL STATEMENT _____	8
BALANCE SHEET _____	9
COMMUNITY SERVICE _____	10
WHO IS TCCU? _____	11



BOARD OF DIRECTORS

Wayne Samson, Chairman



Term Expires 2024

Michael Lang, Treasurer



Term Expires 2024

Texanna Davis, Membership



Term Expires 2024

Diana Landry, Director



Term Expires 2025

Jo-Ann Bennink, Vice Chair



Term Expires 2026

Sherri Fleming, Secretary



Term Expires 2025

Keith Couch, Director



Term Expires 2026

Team



Alicia Quezada
Grand Duchess (President/CEO)



Paul Maley
The Wizard of Awes (VP of Lending)



Georgina Edwards
Operations Queen (VP of Operations)



Claire Rangel
Queen of the Calculator (Bookkeeping)



Erica Camarillo
Financial Empowerment Specialist (Loan Officer)



John Alcalá
Architect of Dreams (Loan Processor)



Louann Hernandez
Money Maestro
(Vault Teller/MSR)



Andrew Adamsen
Money Maestro
(Trainer/MSR)



Bryan Reed
Money Maestro
(Member-Service Representative)



Cindy Medina
Money Maestro
(Member-Service Representative)



Luz Quezada
Money Maestro
(Member-Service Representative)



Toto
CU Mascot

CHAIR / PRESIDENT REPORT

Welcome to Travis County Credit Union's 70th Annual Meeting. Over the last 70 years, Travis County Credit Union has stood as a reliable pillar in the financial well-being of our members. This commitment remained unwavering in 2023. Our dedication to enhancing the lives of our members and contributing to our communities has kept TCCU anchored in the significance of the present, all the while striving for an even more promising future.

We are pleased to announce that 2023 was a successful year as we continue to remain a strong, well-capitalized financial institution. It was a year marked by noteworthy accomplishments, underscored by resilience, ingenuity, and commitment across all sectors of our Credit Union. Members encountered numerous financial hurdles this last year, with rates experiencing substantial hikes. As interest rates increased, so did inflation and day-to-day living expenses, placing an increased burden on many households. Despite facing unprecedented challenges, we are more determined to pursue our strategic initiatives.

Accomplishments/ Notable Growth

We have continued to work hard to maintain our commitment to you and keeping the Credit Union strong and safe. Here are some of the ways we supported our members and the community in 2023:

- TCCU continues to experience growth as we finished the year in a healthy, financially stable position with \$40.8 million in total assets.
- In 2023, we welcomed 197 new members, and most of those were referred by existing members. The confidence our members demonstrate by recommending us to their friends and family is the ultimate form of praise and we sincerely appreciate it!
- Despite rising interest rates throughout the last year, it was another solid year for our lending team as we funded an aggregate 375 loans in the amount of \$8.6 million.
- Particularly noteworthy, we undertook significant and much-needed enhancements to our downtown building/branch. These included a comprehensive paint facelift across the entire building, the construction of three new offices, acquisition of new office furniture, installation of upgraded security cameras and a new commercial air conditioner.
- Supporting community remained a priority. Our team members excel not only in serving our members, but also in supporting our community. They have continued their volunteer efforts with local non-profits such as the Austin Chapter of Credit Unions and Austin Habitat for Humanity. Once again, the Credit Union collaborated with Banzai to offer financial literacy programs to Austin Achieve Charter Schools. Additionally, through our annual Ben Moody Scholarship Program, we granted a \$1,000 scholarship to a deserving college-bound member.
- Through the efforts of our of Community Debit Card Program and members who are Community Debit Card holders, the Credit Union was able to donate \$748.07 to Travis County Sheriff's Brown Santa in 2023. Thank you to all our Community Card Debit Card holders for helping us make a difference!

Looking Forward

As we continue into 2024, we will continue to watch the economic climate. There are still some challenges ahead as the full impact of the rapid increase in rates has yet to be realized. Rest assured that the management team at TCCU is ready to make decisions and pivot our strategic focus. We will continue to monitor the market and gather research so that our members can continue to have the utmost confidence that TCCU is a trustworthy credit union and financial partner.

Credit unions were established based on the fundamental principle of "People Helping People." By prioritizing this principle alongside our mission and annual strategic planning, TCCU will persistently evolve and expand, reinforcing our sturdy foundation while remaining faithful to our 70-year-old roots. We remain committed to helping you "grow your financial health" and are devoted to serving you throughout every stage of your life. We are excited for the journey ahead, and we thank our member-owners and our hard-working team for choosing TCCU every day.

Thank you for your trust and loyalty!

Wayne Samson, Chairman
Alicia Quezada, President

TREASURER'S REPORT

In the past year our credit union faced many challenges, high inflation, increasing cost of funds, decreased loan demand, and the ongoing rise in interest rates all tested credit unions' capacity to attract loans and deposits. Our challenges were similar to those experienced across the financial industry service sector.

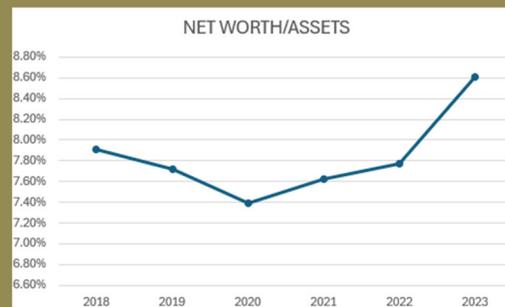
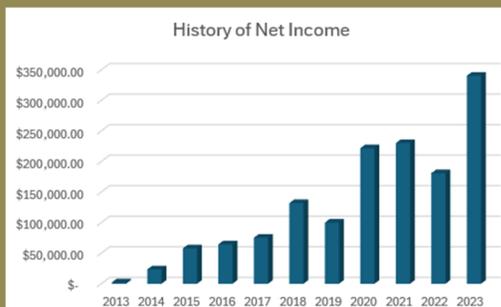
Despite the challenges faced in the past year, I am pleased to announce on behalf of the Board of Directors that Travis County Credit Union (TCCU) had another impressive and prosperous year in 2023. Your steadfast support has enabled us to uphold robust earnings, an exceptional loan portfolio, and a secure financial standing.

I am proud to report that our credit union staff faced these challenges and their efforts along with the activity of members, our credit union has grown to \$40.8 million in assets, serving more than 3,234 members, with over \$27.6 million in loans.

TCCU had a strong financial year. Specifically, disciplined loan and deposit pricing allowed the return on average assets (ROA) to settle ahead of industry averages. As a result, the credit union contributed to member equity at a faster pace than our peer counterparts. Specifically, the return on average assets, which measures net income in terms of average assets, ended the year at 0.82%. For reference, the industry average for ROA was 0.66%.

Further, operational expenses amounted to \$1.5 million, with a total dividend and interest expense of \$33 thousand. As a result, the net income for the year reached \$340 thousand, a significant increase from \$181 thousand the previous year. The year 2023 stands out as the most successful in the last decade.

These robust earnings enabled the Credit Union to elevate our net worth ratio to an impressive 8.61%, surpassing the minimum ratio required to be classified as a "well-capitalized" credit union by our regulators.



Amid rising rates, a notable advantage emerged as our members enjoyed enhanced dividend rates on their accounts. It's worth highlighting that our members received \$33 thousand in dividends in 2023, representing an impressive 157% surge compared to the previous year. This increase reflects our commitment to delivering greater value and returns to our members.

TCCU engaged the services of accredited auditors to review all the credit union records, internal controls, and accounting procedures. This annual review is performed in accordance with national credit union standards and general accounting practices.

Additionally, our credit union operations are examined thoroughly by the Texas Credit Union Department (TCUD). The TCUD is the governing office in the state of Texas that oversees all state-chartered credit unions. The examiners from TCUD ensure that all internal policies and procedures are adhered to and that all state and federal rules and regulations are followed.

As steadfast advocates for our members, we are committed to safeguarding the financial stability of TCCU while delivering unparalleled member service to you and your family.

These milestones mark significant moments in history, highlighting the value members gain by selecting TCCU as their primary financial partner. Our mission, "To provide cooperative options that empower financial success and security," remains our guiding principle, motivating us through both prosperous and challenging times. We eagerly anticipate another year of serving our members and pledge to maintain the same exceptional standard of service you experienced in 2023.

We are committed to you,

Michael Lang, Treasurer

2023 ANNUAL MEETING MINUTES

TRAVIS COUNTY CREDIT UNION
ANNUAL MEETING-Thursday, April 20, 2023
Meeting held via Hybrid - In Person & Zoom Portal

Meeting called to order by moderator, Katie Knutson, at 5:32 PM
Ascertainment of a quorum was conducted- Katie Knutson declared that a quorum was present.

Board Members Present In Person:

Wayne Samson, Jo-Ann Bennink, Sherri Fleming

Board Members Present Via Zoom:

Michael Lang, Keith Couch, Texanna Davis, and Diana Landry

Board Members Absent:

None

Others Present:

Alicia Quezada and Paul Maley

Wayne Samson introduced the Board of Directors and gave Welcome Speech
Alicia Quezada introduced the staff members & gave President Speech

Awards Presented to:

Keith Couch for 10 years of service to the Board of Directors
Texanna Davis for 15 years of service to the Board of Directors
John Alcalá for 5 years of service to the credit union

Board Meeting Minutes Presented:

Member, Amy Ellis made motion to accept; a second to the motion was received from David Morris; motion carried.

Report from the Chairman & President- as stands in the Annual Report were presented:

Member, Edward Mancias made motion to accept; second by Caesar Salazar motion carried.

Treasurer's Report and the Financials -as stands in your Annual Report were presented:

Member, Ervin Jameson made motion to accept; second by Amy Ellis; motion carried.

Old Business-None

New Business: Membership was informed that the Credit Union's By-Laws have been updated to the most current version that the State of Texas Credit Union Department provides for Credit Unions. That is the 2004/Updated 2013 Version.

Nominations & Voting for New Board Members:

On behalf of Michael Lang, chair of the nominating committee and the nominating committee, Alicia Quezada presented report of applicants. The committee received applications from Jo-Ann Bennink and Keith Couch. Alicia Quezada called for floor nominations. The call was given three times. No nominations were received from the floor. Nominations were closed.

Alicia Quezada explained there were two candidates on the ballot and two positions available. A motion of acclamation could be presented. A motion was received from the floor by member, Patty Couch to accept the nominees by acclamation. A second was offered by member, Bradley Houston. The motion carried with none opposed.

Tickets were drawn for prize drawings.

Questions taken: None

Meeting Adjourned: Move to adjourn made by member, Diana Landry a second to the motion was received from Harold Guerra, and the motion carried.

Adjournment was at 5:58 PM

STATEMENT OF INCOME & EXPENSE

DECEMBER 2023

INCOME

INTEREST ON LOANS	1,314,864.24
INCOME ON INVESTMENTS	284,087.07
FEE INCOME	284,625.13
MISCELLANEOUS INCOME	26,988.07

TOTAL INCOME **\$ 1,910,564.51**

OPERATING EXPENSES

COMPENSATION & BENEFITS	648,655.72
TRAVEL & CONFERENCES	-
OFFICE & OPERATIONS	656,698.06
EDUCATION & PROMOTION	18,509.80
LOAN SERVICING	113,253.50
PROFESSIONAL & OUTSIDE SERVICES	22,877.07
PROVISION FOR LOAN LOSSES	62,515.12
MISCELLANEOUS	14,391.18

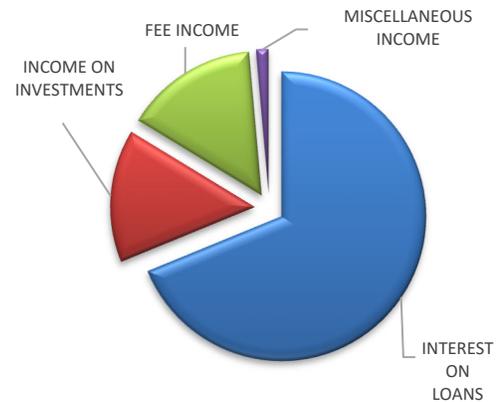
TOTAL OPERATING EXPENSES **\$ 1,536,900.45**

INCOME BEFORE COST OF FUNDS **\$ 373,664.06**

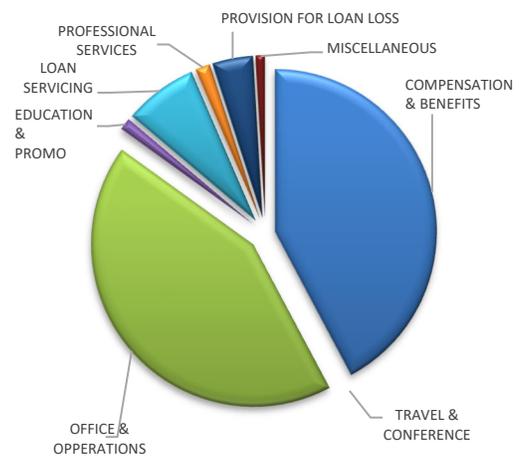
COST OF BORROWED MONEY	851.89
INTEREST ON CERTIFICATES	14,292.03
DIVIDENDS:	
MONEY MARKET	11,216.58
SHARES & DRAFTS	6,971.33

NET INCOME **\$ 340,332.23**

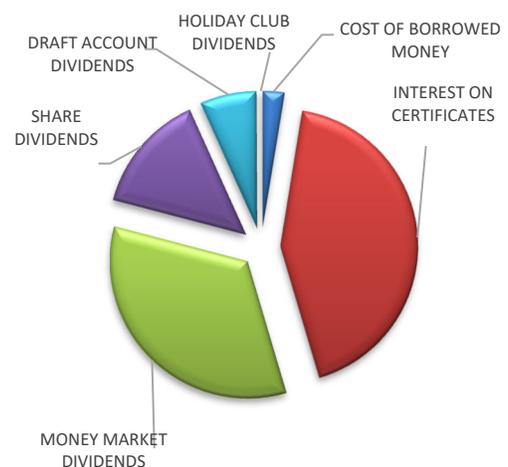
INCOME DISTRIBUTION



EXPENSE DISTRIBUTION



COST OF FUNDS



FINANCIAL STATEMENT

DECEMBER 2023

ASSETS

CASH	\$ 2,320,985.17
LOAN RECEIVABLE	27,602,525.56
ALLOWANCE FOR LOAN LOSSES	(155,869.64)
ACCRUED INTEREST RECEIVABLE	108,827.01
INVESTMENTS	9,190,067.12
NCUSIF DEPOSIT	371,635.84
OTHER ASSETS	-
PREPAID & DEFERRED EXPENSES	113,802.53
FURNITURE & EQUIPMENT (NET)	32,430.76
BUILDING & LAND (NET)	1,144,050.82
RECEIVABLES	114,962.38
TOTAL ASSETS	40,843,417.55

LIABILITIES & CAPITAL

ACCOUNTS PAYABLE	323,351.41
TAXES PAYABLE	11,856.32
ACCRUED EXPENSES	18,534.66
OTHER LIABILITIES	-
UNAPPLIED DATA PROCESSING	-
DIVIDENDS PAYABLE	.25
NOTES PAYABLE	-
TOTAL LIABILITIES	353,742.64
SHARES	20,046,988.75
SHARE CERTIFICATES	2,224,645.71
SHARE DRAFTS	10,746,148.05
MONEY MARKETS	4,042,751.18
OTHER DEPOSITS	2,425.00
UNDIVIDED EARNINGS	2,826,703.39
RESERVES	687,945.71
UNREALIZED GAIN/(LOSS) ON INVESTMENTS	(87,932.88)
TOTAL EQUITY	40,489,674.91
TOTAL LIABILITIES & EQUITY	40,843,417.55

(continued)

GROSS INCOME	\$ 1,910,564.51
EXPENSES	(1,570,232.28)

NET INCOME 340,332.23

DISTRIBUTIONS OF NET INCOME

INTEREST ON CERTIFICATES	14,292.03
INTEREST ON SHARES	4,729.67
INTEREST ON SHARE DRAFTS	2,219.75
INTEREST ON MONEY MARKETS	11,216.58
INTEREST ON HOLIDAY CLUBS	21.91
TOTAL DIVIDENDS & INTEREST	32,479.94

TOTAL DISTRIBUTION 32,479.94
UNDIVIDED 340,332.23

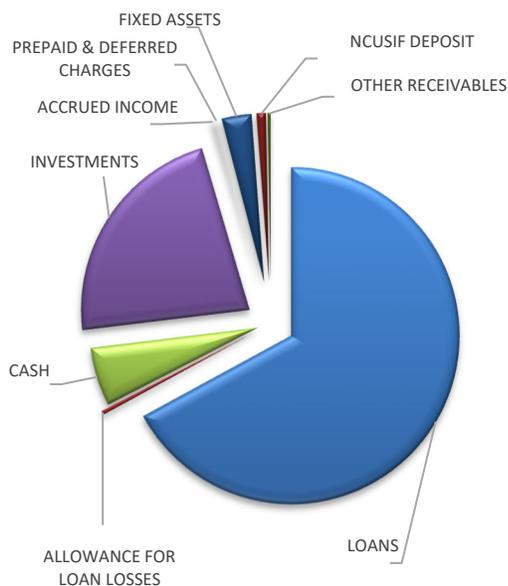
NET INCOME 340,332.23

NUMBER OF MEMBERS
AS OF THIS REPORT 3,234

BALANCE SHEET

DECEMBER 2023

ASSET DISTRIBUTION



ASSETS

LOANS	27,602,525.56
ALLOWANCE OF LOAN LOSSES	(155,869.64)
CASH	2,320,985.17
INVESTMENTS	9,190,067.12
ACCRUED INCOME	108,827.01
PREPAID & DEFERRED CHARGES	113,802.53
FIXED ASSETS	1,176,481.58
NCUSIF DEPOSIT	371,635.84
OTHER RECEIVABLES	114,962.38

TOTAL ASSETS \$ 40,843,417.55

LIABILITIES AND EQUITY

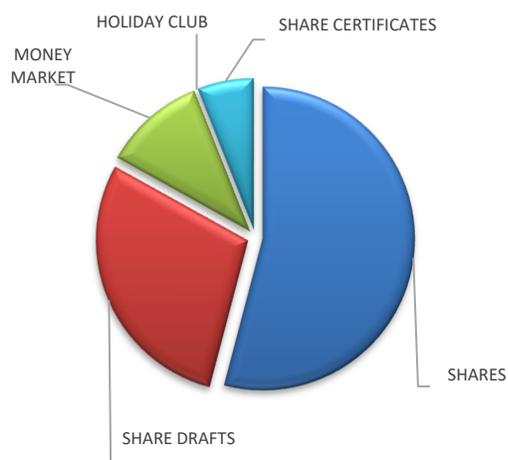
PAYABLES & ACCRUED	353,742.64
SHARES	20,046,988.75
SHARE DRAFTS	10,746,148.05
SHARE CERTIFICATES	2,224,645.71
MONEY MARKETS	4,042,751.18
OTHER DEPOSITS	2,425.00

TOTAL LIABILITIES & MEMBER EQUITY \$ 37,416,701.33

RESERVES	687,945.71
UNDIVIDED EARNINGS	2,826,703.39
ACCUMULATE UNREALIZED GAIN/(LOSS) ON INVESTMENTS	(87,932.88)
TOTAL EQUITY/CAPITAL	\$ 3,426,716.22

TOTAL LIABILITIES & EQUITY \$ 40,843,417.55

DEPOSITS



COMMUNITY INVOLVEMENT

A Meaningful Difference



WHO IS TCCU?



Mission and Statement

"To provide cooperative options that empower financial success and security."

Vision

"Members, not numbers!"

Principle Core Values-"We Act As One"

We care about our communities and our environment.

Exercise dependability-let others know they can always depend on you

A happy place- make it a positive environment

Commitment-make it, show it, do it

Teamwork-when we work as a team, there are no questions on duties

Always exceed member expectations-do it right the first time, and if not, make it right.

Show honesty, integrity, authenticity

Our foundation is members' first, excellence always

Never give up, always try to find an answer (perseverance)

Ensure unity-where there is unity, there is victory

CREDIT UNION INFORMATION

Main Office

1101 North I-H 35
Austin, TX 78702

Mailing Address

PO BOX 6190
Austin, TX 78762

Phone

V/T: 512.477.2641
Fax: 512.472.1324

County Action Line

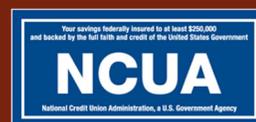
512.479.7422

Email

info@tccu.net

Web Address

tccu.net



Member Services / Products

- Family Membership
- Free Notary Public
- Shared Branching Network
- Mobile Banking
- Online Bill Pay
- Main Share Accounts
- Share Certificates
- Holiday Club Accounts
- Boat Loans
- Home Equity Loans
- Signature Loans
- Safe Deposit Boxes
- Certified / Teller Checks
- Gift Cards
- EMV Chip Reward Debit Cards
- Online Account & Loan Inquiries
- KASASA Checking Accounts
- Money Market Accounts
- Auto Loans
- Motorcycle Loans
- Reward Credit Cards
- RV/ Travel Trailer Loans

"This credit union is federally insured by the National Credit Union Administration"

