

ANNUAL REPORT 2023



Federally insured by NCUA.
Membership required.



2023 HIGHLIGHTS

- Optimized branch locations in DFW to more appealing and visible facilities, including new locations in McKinney, Irving, and Garland
- Opened third SMART Branch location at Berkner High School in Richardson, staffed by students
- Continued expansion in rural markets with new branch and community center in Gilmer
- Acquired Lakewood Title, a leading title company in Texas, to provide more value to our members
- Launched new business accounts and introduced estate planning services
- Implemented innovations to improve member service including an auto attendant, faster underwriting, and improved chat functionality

PRODUCTS & SERVICES

Checking Accounts with ID Protection ■ Savings Accounts ■ Zelle (P2P) ■ Bill Pay
New & Used Auto Loans ■ Teacher Loans ■ FairLease Auto Leasing ■ Flex Auto Loans
Online Appointments ■ Special Auto Coverage ■ Insurance Products ■ Lines of Credit
Estate Planning Services ■ Subscription Insights ■ CUTX Plus ■ Digital Wallet
Online & Mobile Banking ■ eStatements ■ Business Accounts ■ Youth Accounts
80,000+ Surcharge-Free ATMs ■ Mobile Check Deposit ■ Investment Services
Pay for Grades ■ Home Loans ■ Home Equity Loans ■ Credit Score Simulator
Personal Loans ■ Money Market Accounts ■ IRAs and CDs ■ Save the Change
My Money Hub ■ On the Spot Loans ■ Dark Web Fraud Monitoring ■ Card Controls

COMMUNITY SUPPORT

Member Scholarships ■ Children's Advocacy Center of Collin County
Dallas Retired Teachers Association ■ DFW Humane Society ■ Streetside Showers
Junior Achievement ■ NAACP Collin County Chapter ■ PTA/PTO Councils
All Community Outreach ■ Upshur County Livestock Show ■ Big Brothers Big Sisters
Dallas Children's Advocacy Center ■ Bed Start ■ Bonton Farms ■ Trusted World
Best Buddies ■ Grateful Gratitude ■ City of Allen ■ AGAPE ■ Bryan's House
North Texas Food Bank ■ For Oak Cliff ■ Salvation Army ■ Stand for the Silent
Organizations Benefiting First Responders ■ Hope Restored Missions ■ Victim's First
It's Going To Be OK ■ Open Arms Shelter ■ Allen Retired Educators Association
Supporter of Local Schools, Education Foundations, and Chambers of Commerce

Equal Housing Opportunity | Federally insured by NCUA | Loans subject to credit approval



ABOUT CUTX

Founded: **1931**

Members: **165,920** (2022: 158,118)

Employees: **516**

Total Assets: **\$2.49** Billion

Branch Locations: **19**

CONNECT WITH US

PHONE

972-263-9497 or 800-314-3828

ONLINE

cutx.org

CORPORATE OFFICE

900 W. Bethany Drive, Suite 500 Allen, Texas 75013

SOCIAL MEDIA

Connect with @CUTEXAS on Facebook, Instagram and X

BRANCH LOCATIONS

- Allen** ■ 900 W. Bethany Drive, Suite 100 ■ Allen 75013
 - Berkner SMART Branch** ■ 1600 East Spring Valley Road ■ Richardson 75081
 - Castle Hills** ■ 3201 N. Josey Lane, Suite 214 ■ Lewisville 75056
 - Dallas (High Five)** ■ 8131 LBJ Freeway, Suite 107 ■ Dallas 75251
 - Dallas (Hampton)** ■ 4180 South Hampton Road ■ Dallas 75224
 - Dallas (Ross Avenue)** ■ 3305 Ross Avenue ■ Dallas 75204
 - DeSoto** ■ 2828 Prince George Avenue ■ DeSoto 75115
 - Frisco** ■ 4770 Eldorado Pkwy, Suite 300 ■ Frisco 75034
 - Garland** ■ 5021 North Garland Avenue ■ Garland 75040
 - Gilmer** ■ 755 Hwy 271 ■ Gilmer 75644
 - Gilmer (Town Square)** ■ 107 Marshall Street ■ Gilmer 75644
 - Irving** ■ 6911 North MacArthur Blvd. ■ Irving 75039
 - Little Elm SMART Branch** ■ 1900 Walker Lane ■ Little Elm 75068
 - McKinney** ■ 2651 Ridge Road, Suite 101 ■ McKinney 75070
 - McKinney (District 121)** ■ 6701 Alma Road, Suite 150 ■ McKinney 75070
 - Mesquite** ■ 1020 Gross Road ■ Mesquite 75149
 - Paris** ■ 11 S Plaza ■ Paris 75024
 - South Rockwall** ■ 2914 Ridge Road ■ Rockwall 75032
 - Wylie** ■ 2580 W FM 544 ■ Wylie 75098
- New Locations in Bonham, Sulpher Springs, Tyler (Independence Park), and Kilgore Coming Soon!*



CONSOLIDATED STATEMENTS OF FINANCIAL CONDITION

As of December 31, 2023 and 2022

ASSETS	2023	2022
Cash and cash equivalents	\$84,040,848	\$44,097,140
Interest bearing deposits	—	50,000,000
Available-for-sale investments	18,448,909	20,975,295
Federal Home Loan Bank (FHLB) stock	18,976,100	16,000,700
Loans held for sale	929,014	1,941,501
Loans to members, net of allowance for credit losses of \$17,868,978 and \$8,126,275 as of December 31, 2023 and 2022, respectively	2,158,356,258	2,080,825,023
Accrued interest receivable	11,516,658	9,043,395
Property and equipment	64,291,721	62,777,364
Right-of-use assets, operating leases	34,082,673	30,549,666
Credit Union owned life insurance (COLI)	51,762,859	49,816,743
Prepaid and other assets	38,693,473	32,194,467
National Credit Union Share Insurance Fund (NCUSIF) deposit	17,858,867	15,021,997
Total assets	\$2,498,957,380	\$2,413,243,291
 LIABILITIES AND MEMBERS' EQUITY		
LIABILITIES:		
Members' shares and savings accounts	\$1,978,154,087	\$1,795,809,158
Borrowed funds	218,000,000	315,000,000
Uninsured secondary capital (USC)	24,534,297	24,474,627
Lease liabilities, operating	35,033,020	31,173,463
Accrued expenses and other liabilities	60,162,180	67,355,257
Total liabilities	2,324,883,584	2,233,812,505
Commitments and contingent liabilities		
MEMBERS' EQUITY:		
Regular reserve	30,064,668	30,064,668
Undivided earnings	147,771,753	153,215,579
Accumulated other comprehensive income/(loss)	(3,762,625)	(3,849,461)
Total members' equity	174,073,796	179,430,786
Total liabilities and members' equity	\$2,498,957,380	\$2,413,243,291



CONSOLIDATED STATEMENTS OF INCOME

For the Years Ended December 31, 2023 and 2022

	2023	2022
INTEREST INCOME:		
Loans and leases	\$122,555,685	\$83,717,630
Cash equivalents and investments	12,595,885	3,386,903
Total interest income	<u>135,151,570</u>	<u>87,104,533</u>
INTEREST EXPENSE:		
Members' shares and savings accounts	32,520,309	7,245,313
Borrowed funds	22,737,346	6,980,390
Total interest expense	<u>55,257,346</u>	<u>14,225,703</u>
Net interest income	79,893,915	72,878,830
PROVISION FOR LOAN AND LEASE LOSSES		
Net interest income after provision for loan and lease losses	<u>9,548,376</u>	<u>2,799,763</u>
	70,345,539	70,079,067
NON-INTEREST INCOME:		
Fees and service charges	20,036,925	17,542,244
Insurance products	14,506,352	19,853,913
Interchange income	9,764,271	9,199,990
Miscellaneous operating income	9,333,240	6,703,712
Gain on sale of property & equipment	6,347,383	—
Gain on sale of mortgage loans	1,817,502	1,745,411
NCUA membership and paid in capital distribution	189,325	2,019,461
Total non-interest income	<u>61,994,998</u>	<u>57,064,731</u>
NON-INTEREST EXPENSES:		
Compensation and benefits	56,627,279	51,455,766
Office operations	22,911,211	19,366,518
Professional and outside services	14,661,095	11,537,679
Office occupancy	10,905,003	10,564,172
Education and promotion	6,597,252	6,540,655
Miscellaneous operating expenses	4,909,378	4,811,311
Loan servicing expense	4,335,933	3,875,162
Total non-interest expenses	<u>120,947,151</u>	<u>108,151,263</u>
Income before federal income tax	11,393,386	18,992,535
Federal income tax (benefit)/expense	<u>828,745</u>	<u>697,880</u>
Net income	<u>\$10,564,641</u>	<u>\$18,294,655</u>

BOARD OF DIRECTORS

Adrian Williams ■ term expires in 2026

Márelou Cisneros ■ term expires in 2026

RC Diaz ■ term expires in 2026

Troy Mathieu ■ term expires in 2026

Jerry Christian ■ term expires in 2024

Chris White ■ term expires in 2024

Anthony Barber ■ term expires in 2024

Randall Chaddick ■ term expires in 2025

Janie Worst ■ term expires in 2025

Brian Harvey ■ term expires in 2025

Lisa Wellborn ■ term expires in 2025

Board meeting fees paid in 2023 were \$515,034. Estimated board meeting fees in 2024 are \$573,600.

SENIOR MANAGEMENT CHANGES

Chris Murphy ■ Chief Risk Officer

Tann Pace ■ Chief Mitigation Officer

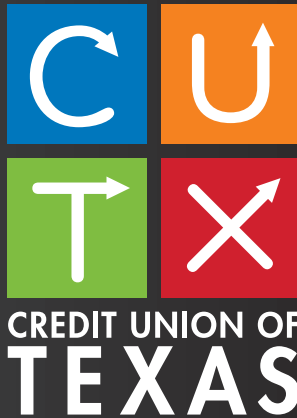
Walter Stanley ■ VP, Business & Commerical Lending

Brian Oathout ■ VP, Treasury Services

Julie Maina ■ VP, Operational Risk



The CUTX Community Grill fed students at Collin College in Plano.



Experience MORE...

900 W. BETHANY DRIVE, SUITE 500, ALLEN, TEXAS 75013

972-263-9497 | 800-314-3828 | cutx.org

Credit Union of Texas, Experience More, and our logo are Reg. U.S. Pat. & TM Off